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Tuesday, August 28, 1961
Bhadra 6, 1883 (Saka)

# LOK SABHA DEBATES

**Second Series**
**Volume LVI, 1961/1883 (Saka)**

**FOURTEENTH SESSION, 1961/1883 (*Saka*)**
(*Vol. LVI contains Nos. 1 to 10*)

LOK SABHA SECRETARIAT
NEW DELHI

*No. 16—Monday, August 28, 1961/Bhadra 6, 1883* (Saka)—

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# LOK SABHA

*Monday, August 28, 1961/Bhadra 6, 1883 (Saka).*

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*The Lok Sabha met at Eleven of the Clock.*

[MR. SPEAKER *in the Chair*]

## ORAL ANSWERS TO QUESTIONS

### Indian Troops for Congo

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*980. **Shri Ram Krishan Gupta:**
**Shri Chuni Lal:**
**Shri M. B. Thakore:**
**Shri Vajpayee:**
**Shri D. C. Sharma:**
**Shri Amjad Ali:**
**Shri Indrajit Gupta:**

Will the **Prime Minister** be pleased to state:

(a) whether Government have received further request from U.N.O. to send more troops for Congo; and

(b) if so, the action taken thereon?

**The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan):** (a) Yes, Sir.

(b) The request is under consideration. However, since the request was made, a new Government has been formed in the Congo and the question now under consideration is whether it will be necessary for the U.N. to send more troops to that country.

**Shri Ram Krishan Gupta:** What is the number of Indian troops in Congo at present?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** I think they probably amount to 5,000 including hospital people, because there are a large number of hospital people too.

**Shri Hem Barua:** May I know whether it is a fact that 16 plane-loads of Indian troops under the command of United Nations have been flown to Katanga to disarm the troops there and, if so, what is the reaction of the Government to that?

**Shri Jawaharlal Nehru:** If I may say so with great respect, I do not understand what to say when questions are being asked on our reactions to something. When somebody else does a thing like this, it is not with our previous approval; but, broadly speaking, there is no reaction at all this way or that way. The authorities there are taking steps to strengthen the Central Government and disarm certain rather rebellious elements in Katanga. So far as that objective is concerned, we are entirely in favour of it.

**Shri M. B. Thakore:** In view of the fact that there are some press reports that our troops will be replaced by Algerian troops, may I know from the hon. Prime Minister whether our troops will remain with our troops in the Congo in the same command, or whether they will be scattered all over Congo under U.N. Command with other U.N. troops?

**Shri Jawaharlal Nehru:** I have not quite understood the question. Regarding the latter part of the question about whether our troops are scattered all over, they are kept, if not in one unit, in two or three units. They are under the command of their own officers. And there are certain conditions under which they have been sent which have been observed.

**Shri Hem Barua:** In view of the fact that the Parliamentary Secretary has just now stated that because a Government is formed in Congo, the United Nations may not have any need for more Indian troops, may I know whether they are going to repatriate the existing Indian troops?

**Shri Jawaharlal Nehru:** Naturally, when they are not wanted and not required, they will be repatriated.

### Paper Manufacturing Machinery

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*981. **Shri Ram Krishan Gupta:**
**Shri Chuni Lal:**
**Shri Kodiyan:**

Will the Minister of **Commerce and Industry** be pleased to refer to the reply given to Starred Question No. 1545 on the 14th April, 1961 and state:

(a) whether Government have since considered the proposal received from an American concern for setting up a plant in India for paper manufacturing machinery; and

(b) if so, the result, thereof?

**The Minister of Industry (Shri Manubhai Shah):** (a) and (b). Yes, Sir. A licence under the Industries (Development and Regulation) Act, 1951, has since been issued to a joint venture company with Indian and American collaboration for setting up of a plant for the manufacture of Pulp and Paper Mill machinery in the Madras State.

**Shri Ram Krishan Gupta:** The hon. Minister has just now stated that the proposal is to set up this plant in Madras State. May I know whether any offer has been received from Madras State for its location and, if so, the name of the place?

**Shri Manubhai Shah:** There is no question of any offer. The two parties, the Indian party and the American party, chose a site in Madras. So, the licence has been issued in favour of Madras.

**डा० गोविन्द दास :** अभी सरकार के कई जगह कारखाने हैं, जैसे जबलपुर में आर्डनेन्स फैक्टरी है और अन्य कारखाना है जहां मोटरें वगैरह कई चीजें बनायी जाती हैं। क्या वहां इस प्रकार की मैशिनरी नहीं बनायी जा सकती ? क्या इस बारे में कोई जानकारी प्राप्त की गयी है ?

**श्री मनुभाई शाह :** मशीनरी इस तरह से नहीं बनायी जा सकती। यह तो सारा कम्प्लीट प्राजेक्ट होता है जैसे पेपर के कारखाने का है, सीमेंट के कारखाने का है, शुगर के कारखाने का है। हर एक के अलग अलग मैशीन टूल और अलग अलग टैकनालाजी होती है। जैसे और सैकड़ों कारखाने एसटेबलिश हो रहे हैं वैसा ही यह भी एक कारखाना है।

**Shri Heda:** May I know whether the proposed plant will be able to cater to our entire needs in the expansion of manufacture of paper?

**Shri Manubhai Shah:** No, Sir. It will cater to 10 to 15 per cent. of our needs. We have approved another six schemes, of which two are already under production.

**Shri Kamal Singh:** May I know the capacity of the plants?

**Shri Manubhai Shah:** Two complete plants of paper mills with their ancillaries to be brought from the sub-contractors, each of the value of Rs. 5 crores.

**Shri Kamal Singh:** I want to know the physical capacity of the plant.

**Shri Manubhai Shah:** They are not tonnages. They are complete machinery of 80 to 100 ton per day plant worth Rs. 5 crores each, two per year.

## Disarmament Talks

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*982. **Shri Harish Chandra Mathur:**
**Shri Ram Krishan Gupta:**
**Shri Chuni Lal:**
**Shri Shree Narayan Das:**
**Shri Radha Raman:**
**Shri Ajit Singh Sarhadi:**
**Shri M. L. Dwivedi:**

Will the **Prime Minister** be pleased to state:

(a) whether Government of India have any information regarding the resumption of disarmament talks;

(b) what progress, if any, has been made in the matter; and

(c) whether Government of India have taken any initiative or action in the matter?

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):** (a) and (b). Apart from general discussions in the United Nations General Assembly, multilateral negotiations on disarmament have been in abeyance since the breakdown of the 10 nation Geneva Conference, on the subject, in June, 1960. It was hoped that negotiations might be resumed as a result of direct preliminary talks which were agreed upon by the Governments of the U.S.A. and the U.S.S.R.; representatives of these two Governments met in June and in July this year, but no agreement on the resumption of larger scale talks has so far been reached. The issue is on the agenda of the forthcoming General Assembly Session, when the various resolutions put forward last year, which were postponed pending the outcome of the Soviet-American talks, will again come up for discussion.

(c) One of the resolutions submitted to the General Assembly has been co-sponsored by India. It calls for the resumption of negotiations and indicates the general directives to be followed. It is the intention of Government to press for the adoption of this resolution, subject to whatever other action may be indicated in the light of developments between now and the debate in the General Assembly.

**Shri Harish Chandra Mathur:** May I know whether our initiative and effort for the Summit Conference is also to help breaking this deadlock on disarmament talks? If so, what is the reaction of the Western Powers?

**Shrimati Lakshmi Menon:** Yes, Sir.

**Shri Harish Chandra Mathur:** What is the reaction of the Western Powers?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** We have no idea as to what other peoples' reactions are. We can only guess.

## Aluminium Plants

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*984 **Shri Kunhan:**
**Shri P. C. Borooah:**

Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether there are any proposals to set up additional Aluminium plants in India during the Third Plan period; and

(b) if so, at which places?

**The Minister of Industry (Shri Manubhai Shah):** (a) and (b). A statement is laid on the Table of the House.

### STATEMENT

In addition to the Public Sector project for manufacture of 25,000 tons aluminium per annum in collaboration with Hungary for which exploratory work is already in hand and for which Hungarian Government has already agreed to extend suitable long term rupee payment credit, Government have also received applications for grant of licences under the Industries (Development and Regulation) Act, 1951, for establishment of additional capacity for aluminium ingots during the Third Plan period from the following parties:—

(i) Hindustan Aluminium Corporation Ltd., Bombay for substantial expansion of their aluminium smelter at Rihand, now under construction, from 20,000 tons to 50,000 tons per annum;

(ii) Shri Murarji J. Vaidya of Bombay to set up a 30,000 tonnes p.a. aluminium smelter in Mysore State with the technical and financial collaboration of Reynolds of U.S.A.; and

(iii) M/s. J. K. Industries (P) Ltd., Calcutta, for establishment of a 20,000 tonnes p.a. aluminium smelter in Madhya Pradesh with Swiss collaboration.

The applications are under consideration.

**Shri Kunhan**: May I know whether there is any proposal to extend the capacity of the Aluminium Factory in Alwaye in Kerala in the Third Plan and, if so, what is the amount that has been provided for that?

**Shri Manubhai Shah**: There is a proposal. The Canadian Aluminium Factory, which has a plant in Kerala, wants to double its capacity. The actual details of the proposal are awaited.

**Shri C. D. Pande**: In view of the fact that though during the Second Plan the target fixed was 83,000 tons the achievement was only 27,000 tons, may I know whether Government is hopeful of getting the target fulfilled by 1965 or 1966?

**Shri Manubhai Shah**: What my hon. friend has really stated is the capacity which has already been established in the Second Plan. For the Third Plan, as I have stated in the statement, a public sector project is being started with Hungarian collaboration. Over and above that, there are three other proposals which will more than over-reach the target stipulated for aluminium in the Third Plan.

**Shri Assar**: There was a proposal to set up an aluminium plant near Chiplun, Koyna and Maharashtra. What happened to that?

**Shri Manubhai Shah**: Koyna project is going through. It was already approved in the Second Plan. It is not included in the three. Licence has been issued to a party which is trying to secure proper collaboration. Practically, the collaboration is now through. They are coming up very soon for finalisation of the terms. But otherwise, they have already been approved in capacity and a licence has been granted to them already.

### Visit of Sikkim Maharajkumar

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*986. **Shrimati Ila Palchoudhuri:**
**Shri Ajit Singh Sarhadi:**
**Shri P. C. Borooah:**
**Shri Hem Barua:**
**Shri N. R. Muniswamy:**

Will the **Prime Minister** be pleased to state:

(a) whether it is a fact that talks between the Maharajkumar of Sikkim and the Government of India were recently held in regard to the citizenship law and electoral rolls of Sikkim;

(b) if so, the progress made in connection therewith; and

(c) what other subjects were discussed with him and what decisions, if any, were taken?

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon)**: (a) Yes, Sir, talks took place in June 1961 on the Sikkim Subjects Regulation.

(b) This Regulation was promulgated by H.H. the Maharaja of Sikkim on the 3rd July, 1961.

(c) A statement is placed on the table.

### STATEMENT

*Subjects discussed with the Maharajkumar of Sikkim in June, 1961.*

I. *The Sikkim Subjects Regulation*:

This was a measure proposed by the Sikkim Government to define by legislation the status of Sikkim subjects and to provide for the acquisition and loss of such status. It is essentially an internal matter for the Sikkim Government, but the Government of India were consulted, as Sikkim subjects are Indian protected persons and furthermore are entitled, on a reciprocal basis, to certain rights belonging to Indian citizens. These aspects of the Regulation were discussed with the Maharajkumar.

II. *Roads in Sikkim*:

The Maharajkumar had informed the Government of India that their P.W.D. was now in a position to undertake the maintenance of some of the roads and tracks which had so far been maintained by the Central P.W.D. Following discussions with him the Government of India have agreed to hand over the maintenance of certain roads and tracks to the Sikkim P.W.D.

III. *Tibetan Refugees*:

The Maharajkumar offered to settle in western Sikkim a few hundred Tibetan refugees, and the Government of India accepted the offer and have requested the Sikkim Durbar to formulate a settlement scheme. Following discussions with the Maharajkumar, the Sikkim Durbar have set up a Committee to deal with relief measures connected with Tibetan refugees in Sikkim. The Government of India have agreed to provide, at their expense, some administrative staff to assist the Relief Committee.

IV. *Palace Guards*:

The Maharajkumar had requested that the Palace Guards in Sikkim might be suitably expanded and the Government of India have agreed, if requested, to assist in the matter of recruitment, and to lend Indian Army officers to command, train and equip two companies of Guards. One company by rotation would be on Palace duty, while the other would be attached to the Indian Army in Sikkim for border security work.

V. *Development Plan*:

The Second Sikkim Plan (1961—66) formulated by the Sikkim Durbar with the assistance of our Planning Commission was discussed with the Maharajkumar. Following the discussions, the Government of India have agreed to lend the services of some officers to assist in implementing the Plan. A statement regarding the Plan was placed on the Table of the House in reply to starred question No. 879.

**Shrimati Ila Palchoudhuri**: Is it a fact that the acquiring of citizenship needs 15 years' stay in Sikkim? In that case, how will it affect the election laws about which there is no mention in the statement laid on the Table?

**Shrimati Lakshmi Menon**: All citizens are enfranchised. Therefore the 15 years' qualification affects franchise also.

**Shrimati Ila Palchoudhuri**: Is it not a fact that 70 per cent. of the people in Sikkim are Nepalese? How will this law affect them now?

**Shrimati Lakshmi Menon**: It only lays down the rule in regard to citizenship. Anybody who was domiciled in Sikkim and had 15 years' stay there from the time of the promulgation of the rule will be eligible for citizenship. It will affect the Nepalese in the sense that if they have been there for 15 years before the promulgation, they are entitled to citizenship and franchise.

**Shri Ranga**: When did this promulgation take place?

**Shrimati Lakshmi Menon**: As I said in the original answer, on the 3rd July, 1961.

**Shri Ranga:** Does it mean that it will not have any retrospective effect in regard to people who have already settled down there?

**Shrimati Lakshmi Menon:** What is the retrospective effect, I do not understand.

**Mr. Speaker:** Those who have been there for 15 years up to that date will be covered.

**Shri Ranga:** May I know whether the Government of Sikkim is entitled to stipulate its own rules and all that the Government of India can do or can be expected to do is to offer advice only when asked for?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** They are completely free to pass any legislation or anything. They consult us sometimes and we give them our advice.

**Shri Ajit Singh Sarhadi:** May I Just ask whether any definite formula has been evolved and whether definite advice has been given on this point?

**Mr. Speaker:** Formula for what?

**Shri Ajit Singh Sarhadi:** About citizenship rights of Indians there.

**Shrimati Lakshmi Menon:** They are clearly stated in the regulations.

**Mr. Speaker:** Hon. Member will look into it.

**Shri Hem Barua:** Among other things did the question of depiction of Sikkim as a sovereign State in Russian maps also come up for discussion with the Maharajkumar of Sikkim? If so, what was his reaction?

**Shrimati Lakshmi Menon:** Will the hon. Member kindly repeat his question?

**Shri Hem Barua:** Part (c) of the question is:

> "what other subjects were discussed with him and what decisions, if any, were taken?"

That is why I am interested in it because the Russian maps depict Sikkim as a sovereign State.

**Mr. Speaker:** Did the question of sovereignty come up?

**Shrimati Lakshmi Menon:** No. Sikkim is a protected State. The relations are regulated by a treaty.

**Mr. Speaker:** It did not crop up. Or, was it also a subject matter of the talks?

**Shrimati Lakshmi Menon:** No.

### 'Chain Letters' Scheme

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*987. **Shri Bibhuti Mishra:**
**Shri P. C. Borooah:**

Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether it is a fact that the Government have issued a Circular discouraging 'chain letters' schemes run by private companies; and

(b) if so, whether any such companies were registered in the past under the Companies Act?

**The Minister of Commerce (Shri Kanungo):** (a) Yes.

(b) Three companies were registered in Rajasthan.

**श्री विभूति मिश्र** : मैं जानना चाहता हू कि सरकार इस को डिसकरेज क्यों कर रही है?

**Shri Kanungo:** Because the ultimate effect of these schemes is cheating.

### Development of Bhutan

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*989. **Shri Bhakt Darshan:**
**Shri D. C. Sharma:**
**Shri P. C. Borooah:**
**Shri Raghunath Singh:**
**Shri Amar Singh Damar:**
**Dr. Ram Subhag Singh:**
**Shri P. G. Deb:**
**Shrimati Maimoona Sultan:**

Will the **Prime Minister** be pleased to state:

(a) whether the Indian Technical team which visited Bhutan recently has submitted its report regarding development of Bhutan;

(b) if so, its main recommendations and estimates for development; and

(c) the decision taken in the matter?

**The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan)**: (a) Yes, Sir.

(b) A statement is placed on the table.

(c) The Governments of India and Bhutan have accepted the recommendations of the Technical Team. The required funds up to about Rs. 17·5 crores will be provided to the Bhutan Government during the period 1961—66 as a grant.

### STATEMENT

The categories of projects recommended by the Planning Commission Technical Team after discussions with the Bhutan Government, and the anticipated outlay against each, are given in the statement below:—

| Head of development | Estimated Outlay 1961-66 |
|---|---|
| | (Rs. lakhs) |
| Agriculture Programmes, including Animal Husbandry and Forestry . . . | 98·4 |
| Power . . . . . . | 33·5 |
| Industry & Mining . . | 132·0 |
| Transport, including roads and and Road transport . . | 1195·6 |
| Social Services (Public Health, Education, etc.) . . . | 264·6 |
| Miscellaneous (Establishment charges, cultural activities, buildings, etc.) . . . | 23·0 |
| TOTAL . . | 1747·1<br>(i. e. approximately Rs. 17·5 crores) |

**श्री भक्त दर्शन** : श्रीमन्, मैं यह जानना चाहता हूं कि यह जो साढ़े १७ करोड़ रुपये भारत सरकार की ओर से ग्रांट के रूप में दिये जायेंगे तो क्या भूटान की सरकार की ओर से भी इस में कुछ रकम लगाई जा रही है ?

**प्रधान मंत्री तथा वैदेशिक-कार्य मंत्री (श्री जवाहरलाल नेहरू)** : अपनी ओर से कुछ न कुछ तो वे करते ही हैं लेकिन जाहिर है बहुत बड़ा काम उठाने की गुंजाइश वहां उनके पास नहीं है ।

**श्री भक्त दर्शन** : श्रीमन्, क्या यह जो सहायता स्वीकार की गई है इसकी विस्तृत बातें कि कितने वर्षों में कितना रुपया खर्च किया जायगा यह भी तय किया जायगा और क्या यह भी मालूम है कि इस वर्ष कितना रुपया खर्च किया जायगा ?

**श्री जवाहरलाल नेहरू** : मैं समझा नहीं ।

**श्री भक्त दर्शन** : मेरा मतलब यह है अभी पालियामेंटरी सेक्रेटरी साहब ने बतलाया कि अगले पांच वर्षों में साढ़े १७ करोड़ रुपये खर्च होंगे, तो क्या यह भी तय हुआ है कि इस चालू वर्ष में इस सम्बन्ध में कितना रुपया खर्च किया जायगा ?

**श्री जवाहरलाल नेहरू** : साहब यह जो रुपया दिया हुआ है यह कोई हवा में एक रकम नहीं है बल्कि खास योजनाओं के लिये दी हुई है । एक बड़ी रकम इस में से सड़क बनाने के वास्ते है । सड़क, पुल वगैरह बनाने के वास्ते सबसे बड़ी रकम रक्खी गई है बाकी रकम और अन्य कामों के वास्ते है जो कि करने निश्चित हुए हैं ।

**Dr. Ram Subhag Singh**: Over two years ago the Government of India had entered into an agreement with the Government of Bhutan in regard to the construction of the Jaldhaka power project, but so far no work has been started. May I know whether that work will be expedited?

**Shri Jawaharlal Nehru**: I am afraid, I have no recollection. I have to find out.

**Shri P. G. Deb**: How much assistance will be given to Bhutan Government regarding the establishment of post offices?

**Mr. Speaker:** These are individual cases. The total amount has already been told.

**Shri Jawaharlal Nehru:** I do not know exactly now, but till two or three years ago there was in effect no postal system in Bhutan. Carriers ran from one place to another for important letters. To send letters to India the postal stamp will be put when it entered Indian territory. It was not an effective way of dealing with the situation. I do not know what improvements have been made, but I think some improvements have been made.

**Shri Ranga:** How soon will the road connection that has been proposed and begun also between India and Bhutan come to be completed?

**Shri Sadath Ali Khan:** The highest priority is given to improvement of road communications. The construction of about 500 miles of road is envisaged during the five years at a cost of Rs. 10 crores. As the road communications improve, the system of road transport will also be introduced. It is expected to bring in increased revenue to the Bhutan Government.

**Shri Hem Barua:** In view of the fact that financial assistance is offered to Bhutan by us for the execution of certain programmes formulated by them, may I know who does the performance audit? Do we do it or do they do it?

**Shri Sadath Ali Khan:** We sent a technical team. The technical team gave us a report. This matter was discussed with the Government of Bhutan. It is a joint endeavour.

**Shri Hem Barua:** In view of the fact that......

**Mr. Speaker:** That is a matter of suggestion. The hon. Member is suggesting that because we give Rs. 10 crores, we must take up the entire administration. The hon. Parliamentary Secretary says that it is an agreement between both.

**Shri Hem Barua:** I just wanted to know because certain projects are not executed, just as the Jaldhaka project, as to who takes the performance audit. There is something like that, namely, how far the work has progressed. Do we have any knowledge or idea of that?

**Mr. Speaker:** How far it has progressed is not a part of the question. As to who undertakes it, it is a joint responsibility of both the governments.

**श्री भक्त दर्शन :** श्रीमन्, इस विवरण से यह अंदाजा लगता है कि यह जो रुपया मंजूर किया जा रहा है यह भूटान की विकास योजनाओं के लिये है, तो क्या यह बतलाने की कृपा की जायगी कि भारत को भूटान से जोड़ने वाली जो सड़क बनाने का काम था और जो पिछले दिनों तक खत्म नहीं हुआ था क्या वह पूरा हो गया है और अगर अभी भी पूरा नहीं हुआ है तो क्या उसको पूरा करने के हेतु तेजी लाई जा रही है ?

**श्री जवाहरलाल नेहरू :** कुछ कुछ पूरा हो गया है और बहुत कुछ अभी बाकी है ।

### Settlement of East Pakistan Refugees in Dandakaranya

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*991. **Shri Ajit Singh Sarhadi:**
**Shri Ram Krishan Gupta:**
**Shri Chuni Lal:**
**Shri Supakar:**
**Shri Rajendra Singh:**
**Shri K. B. Malvia:**

Will the Minister of **Rehabilitation and Minority Affairs** be pleased to state:

**(a) what progress has been made in the settling of East Pakistan refugees in the Dandakaranya area in the reclaimed sites;**

**(b) whether the settlement has taken place in accordance with the schedule; and**

**(c) if not, the shortfall thereon?**

**The Deputy Minister of Rehabilitation (Shri P. S. Naskar):** (a) to (c). Attention is invited to the progress report dated the 14th August, 1961, regarding Dandakaranya Project for the period from the 1st February, 1961 to the 30th June, 1961, which was circulated to the Members of this Sabha on the 17th August, 1961.

**Shri Ajit Singh Sarhadi:** The report indicates shortfalls in Schedule to the extent of nearly 75 per cent. May I ask what steps are being taken to see that the reclaimed area does not go again waste and marshy and if there is a proposal under consideration that they would be leased out till the people come to Dandakaranya for rehabilitation?

**The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna):** There is only shortfall in the movement of displaced persons from West Bengal to Dandakaranya. We were hoping that 500 families would go each month. The average is only 150 and that has, in a way, created lack of man-power for the implementation of the scheme. So far as reclaimed land is concerned, we have enough families to cater to. Precaution will be taken that the land does not go under jungle again.

**Shri Ajit Singh Sarhadi:** Is it not a fact that despite best efforts, shortfall in rehabilitation is nearly 75 per cent. inasmuch as out of 500 families expected and scheduled, 150 have come Is there any alternative proposal under consideration if the refugees do not go?

**Shri Mehr Chand Khanna:** I am hoping that after the political situation in Bengal eases a little, during the next few month, refugees will go from camps to Dandakaranya.

**Shrimati Ila Palchoudhuri:** May I know whether the non-camp refugees' percentage will be increased now that the camp refugees do not want to go?

**Shri Mehr Chand Khanna:** I have already sent a reply to the hon. Lady Member. She also wrote to me in this connection. We fixed a percentage of 10, which now includes agriculturists. Even this offer of 10 per cent. for non-camp refugees has not been fully availed of. I might also add that in any major policy decision that has to be taken in relation to Madhya Pradesh and Orissa, the two State Governments have to be consulted. There is no intention at present to increase the quota beyond 10 per cent.

**Shrimati Ila Palchoudhuri:** May I ask one question arising out of this answer? Actually, from Bengal, small industries were offered to be set up in Dandakaranya. But, at that time the policy of the Ministry was that there should not be so many non-camp refugees. Now, if it has been relaxed, has he gone into the matter that other people are willing to go there and set up small industries?

**Shri Mehr Chand Khanna:** India is a free country. So is Dandakaranya. We are not objecting to anybody going there and setting up industries there. If I am to sponsor industries from West Bengal, that is a matter for the Rehabilitation Industries Corporation to consider. The Chairman of both the Dandakaranya Authority and the Corporation is the same gentleman, Shri Sukumar Sen.

## Restrictions on Indians in Burma

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**Shri Assar:**
**Shri Vajpayee:**
**Shri Subbiah Ambalam:**
**Shrimati Ila Palchoudhuri:**
**Shri D. C. Sharma:**
**Shri Aurobindo Ghosal:**
**Pandit D. N. Tiwari:**
**Shri Hem Barua:**
**Shri Ajit Singh Sarhadi:**
***903. Dr. Samantsinhar:**
**Shri M. R. Krishna:**
**Shri Amar Singh Damar:**
**Dr. Ram Subhag Singh:**
**Shri Tangamani:**
**Shri Mohan Swarup:**

**Shri Raghunath Singh:**
**Shri P. G. Deb:**
**Shri K. B. Malvia:**

Will the **Prime Minister** be pleased to state:

(a) whether any restrictions have been imposed on the Indian nationals in Burma for remitting money to India;

(b) if so, what are they;

(c) the number of Indian nationals likely to be affected by the fresh restrictions;

(d) whether Government have taken up this matter with the Government of Burma; and

(e) if so, the nature of response?

**The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan):** (a) Yes.

(b) The Government of Burma imposed a ban on all money order remittances to India by Indian nationals on 21st June, 1961.

(c) About 40,000 Indian nationals are estimated to be affected by this order.

(d) Yes.

(e) Our Ambassador has been officially informed of the decision of the Burmese Government to resume money order remittances with effect from 21st August, 1961.

**Shri Hem Barua:** May know whether it is a fact that, of late, the Government of Burma has relaxed these restrictions and the Government of Burma wants Indian nationals living there to obtain certificates from the district magistrates in this country in support of the fact that certain people living here are actual members of their family and if so, whether the difficulty involved in this procedure is also taken into account by us?

**Shri Sadath Ali Khan:** Will the hon. Member make himself a little more clear? It is a long question. If it is broken into parts, it would be better.

**Shri Hem Barua:** May I know whether it is a fact that of late, the Government of Burma has relaxed restrictions imposed on remittances by money order and they have asked for certificates to be produced from our magistrates to the effect that certain people living here are actually members of the family of the persons living in Burma? If so, may I know whether the difficulty involved in this procedure is also taken into account by us?

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):** It has always been done. Permission to make remittance to India is given only on hearing from the district magistrate of the district as to the number of dependants or relations of the persons concerned. Therefore, that restriction has always been there. It has been accepted and remittances are sent on the basis of this.

**Shri Hem Barua:** This involves difficulty in the sense that money can be remitted only to members of the family. Members of the family are always restricted; generally it is not more than 4 or 5. There are other dependents, aged mother, aged father, widowed sister. I want to know if these difficulties . . .

**Mr. Speaker:** Family according to western countries is somewhat limited to wife and children. That does not include parents. What happens to those who are dependent: he wants to know.

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** It has to be interpreted according to Burmese conventions, neither Indian nor western.

**Shri Hem Barua:** It has to be interpreted even according to the meaning in Chamber's Dictionary: not according to any other people's convention.

**Mr. Speaker:** They are the persons in authority.

**Shrimati Ila Palchoudhuri:** Is it a fact that when there are a number of dependents in India, the Burmese Government always asked for some verification as to how many dependents there are in India before they are allowed to send this money? That takes a very long time. It is a long process altogether. Is there any question of trying to relax this that on the *bona fides* of the statement of the person that there are so many dependents in India only, he may be allowed to send money?

**Shri Jawaharlal Nehru:** The only question that had been raised recently was the stoppage by the Burmese Government of these remittances. The other question as to how they are sent, and the procedure has not arisen at all. We follow such rules. We cannot raise. That stoppage has now been put an end to. For the present, we are happy about it. We cannot go on raising these questions about convenience, about taking the word, etc. It is not an easy matter to take the word of anybody about the number of dependents. I am not quite sure whether we take the word unless there is some kind of verification. It involves foreign exchange. Just as we are concerned about foreign exchange, the Burmese Government are hard put with regard to foreign exchange.

**राजा महेन्द्र प्रताप** : मैं अभी बर्मा गया था । वहां पर बहुत से लोगों ने बहुत शिकायतें कीं कि वहां पर जो हमारे प्रतिनिधि हैं, यानी राजदूत इत्यादि हैं, वे उन के साथ अच्छी तरह से बर्ताव नहीं करते । बंबई से भी कल एक खत आया है । वह कहते हैं कि पहले जो अंग्रेज अफसर होते थे वह इतनी बुरी तरह से उस के साथ बर्ताव नहीं करते थे । क्या सरकार इस तरफ ध्यान देगी ?

**श्री जवाहरलाल नेहरू** : जी हां । मुझे इस को सुन कर अफसोस हुआ है । सरकार जरूर ध्यान देगी कि क्या वाक़्या है ।

**Shri Ranga:** May I know whether there is any ceiling on the total remittance that any one of our people on that side is entitled to send or whether he is free to send various sums of money to all or some of his legitimate relatives on this side? Is it not a fact that all these enquiries and rules were there already in being and certificates were already been insisted upon and they were produced even earlier before the Burmese authorities?

**Shri Sadath Ali Khan:** Remittance of a maximum amount of K. 20 equal to Rs. 20 a month by money order is allowed to be sent by an Indian.

**Shri Ranga:** To all relatives together or to each one?

**Shrimati Lakshmi Menon:** Each person can send only Rs. 20.

**Shri Ranga:** Was this certificate insisted upon earlier or is it being imposed anew?

**Shrimati Lakshmi Menon:** No, there is no new restriction. This stoppage was really due to the fact that the money order commission was increased, and they took objection to that increase. That has now been withdrawn. All the other things have been existing since 1958.

**Shri Ranga:** Is it not also a fact that there are restrictions upon the transfer of goods from Burma to India, purchased from out of the savings of our people there?

**Mr. Speaker:** Does it apply only to cash or to goods also?

**Shrimati Lakshmi Menon:** I do not know about that.

**Shri Sadath Ali Khan:** We require notice of that question.

**Mr. Speaker:** Is it open to our people to go on purchasing goods in Burma with the money saved by our people in Burma, and then pay those people in rupees here?

**Shri Ranga:** That will not raise the question of foreign exchange.

**Mr. Speaker:** Probably, that matter has not been considered.

**Shri H. N. Mukerjee:** May I know if the Burmese Government have imposed restrictions on remittances of money by all kinds of foreign nationals, or is it only in the case of Indian nationals that these restrictions are being imposed? If the latter be the case, why is it that this discrimination is being practised in spite of our friendly relations?

**Shrimati Lakshmi Menon:** There is no discrimination. The laws apply equally to all.

**Dr. Sushila Nayar:** There are some widows whose husbands died in Burma, and, therefore, they have come here. All their money and property are in Burma. Is there any way of getting any relief for them? Can they get their property sold there and get the sale proceeds to India? They have come to India already.

**Shrimati Lakshmi Menon:** I want separate notice of that question.

**Shri Harish Chandra Mathur:** May I know whether a certificate is necessary for every remittance made, or one permanent certificate would do, and on the basis of that, remittances can be made every month?

**Shrimati Lakshmi Menon:** It is a permanent certificate.

**Shri M. B. Thakore:** Is there any restriction on the sending of postal orders?

**Shri Jawaharlal Nehru:** Postal order and money order are presumably the same thing or more or less the same thing.

**Shri Harish Chandra Mathur:** I wanted to know whether there could be a permanent arrangement that if once a certificate is issued, on the basis of that, remittances can be sent every month?

**Shri Jawaharlal Nehru:** It is a permanent arrangement.

**Mr. Speaker:** The hon. Minister has already said that there is a permanent arrangement and not one from month to month.

### टायरों की कमी

***९९५. श्री म० ला० द्विवेदी :** क्या वाणिज्य तथा उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि सरकार देश में टायरों की कमी को देखते हुए टायर वितरण नियंत्रण आदेश लागू करना चाहती है ; और

(ख) यदि नहीं, तो सरकार उन दुकानदारों के खिलाफ क्या कार्यवाही करना चाहती है जो टायरों के स्टाक जमा किये हुए हैं ?

**उद्योग मंत्री (श्री मनुभाई शाह) :** (क) और (ख). एक विवरण सभा की मेज पर रखा जाता है ।

विवरण

(क) जी, नहीं ।

(ख) टायरों के वितरण पर कोई कानूनी कंट्रोल नहीं है । स्थिति को सुधारने के लिये सरकार ने नीचे लिखे उपाय किये हैं :—

(१) मांग और देशी उत्पादन के बीच की कमी राज्य व्यापार निगम के जरिये पर्याप्त आयात करके पूरी की जा रही है ।

(२) वर्तमान कारखानों को कच्चे माल का लाइसेंस देकर तथा देश में टायरों की उत्पादन क्षमता बढ़ा कर देशी उत्पादन में वृद्धि की जा रही है ।

(३) सारे देश में टायर विक्रेता संघ बना दिये गये हैं जिससे टायरों के असली इस्तेमाल करने वालों की मांग रजिस्टर की जा सके और उन्हें निश्चित समय पर सूची में दिये मूल्यों पर टायर दिये जा सकें ।

(४) सरकारी परिवहन कम्पनियो, परिवहन सम्बन्धी सहकारी समितियों तथा उन मोटर मालिकों से, जिन के पास २५ या उससे अधिक गाड़ियां हैं, हाल ही में आवेदन पत्र मांगे गए हैं जिस से वे रुपये वाले देशों से अधिक काम आने वाले आकार के बड़े टायरों और ट्यूबों का सीधा आयात कर सकें ।

(५) देश में टायरों की मरम्मत करने के उद्योग को बढ़ावा देने के लिये कार्रवाई की गयी है जिससे घिसे हुए टायर जो बेकार हो जाते हैं फिर से काम में लाये जा सकें ?

इन उपायों से स्थिति में सन्तोषजनक सुधार हो गया है ।

**श्री म० ला० द्विवेदी** : मै यह जानना चाहता हूं कि जब इस बयान में बताई गई सहूलियतों के बावजूद बाजार में टायरों के दाम दुगने और तिगने से भी अधिक हैं, खासकर ट्रक और हैवी व्हीकल्ज के, तो क्या सरकार इस की रोक थाम के लिये कुछ प्रबन्ध कर रही है ।

**श्री मनुभाई शाह** : आज-कल ऐसा नही है और काफी सस्ते दाम पर टायर बिक रहे हैं । कई एक जगह तो एस० टी० सी० का स्टाक भी बेचा नहीं जा सका ।

**श्री म० ला० द्विवेदी** इस बयान में बतलाया गया है :—

> "Indigenous production is being increased by licensing of raw materials to existing factories . . ."

मैं यह जानना चाहता हूं कि हमारे देश में टायर बनाने के जो कारखाने हैं, उनकी कैपेसिटी क्या है, कितने प्रतिशत की कमी है और उस कमी को पूरा करने के लिये क्या प्रबन्ध किया जा रहा है ।

**श्री मनुभाई शाह** : सदन को यह जानकर आनन्द होगा कि जब कि तीन साल पहले टायरों का प्रोडक्शन ७ लाख से कम था, इस साल वह ११ लाख तक पहुंचा है । हमने नई फैक्टरीज कायम करने के जो लाइसेंस दिये हैं, उन से अगले तीन सालों में हमारा प्रोडक्शन ३८ लाख तक हो जायेगा ।

**श्री म० ला० द्विवेदी** : इस नये वर्ष में टायरों के कौन कौन से कारखाने खुले हैं ?

**श्री मनुभाई शाह** : यह सवाल इस से कवर नहीं होता है । लेकिन मैं माननीय सदस्य को बता दूं कि गुडइयर का कारखाना यहां लागू हो गया है । कलकत्ता में एक्सपेंशन शुरू हो गया है और मद्रास में फायरस्टोन और डनलप के कारखानों का एक्सपेंशन शुरू हो गया है ।

## Indo-Pak Conference of Rehabilitation Ministers

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*996. **Shri P. G. Deb:**
**Shri P. C. Borooah:**
**Shri D. C. Sharma:**
**Shri B. C. Mullick:**
**Shri Ram Krishan Gupta:**
**Shri Achar:**
**Shri K. B. Malvia:**

Will the Minister of **Rehabilitation and Minority Affairs** be pleased to state:

(a) whether talks were held between Indian and Pakistani officials in the beginning of July, in New Delhi, for working out the details of the implementation of the agreement reached in Calcutta earlier on the exchange of lockers, bank accounts and funds;

(b) if so, with what results; and

(c) when will the exchange be given effect to?

**The Deputy Minister of Rehabilitation (Shri P. S. Naskar):** (a) Yes.

(b) A programme for transfer of lockers, bank accounts and funds was drawn up.

(c) 30th September, 1961.

**Shri P. G. Deb:** May I know how many Indian companies have been allowed to transfer their registered offices from Pakistan to India?

**Shri Mehr Chand Khanna:** We are dealing with lockers and safe deposits.

**Shri P. G. Deb:** I am referring to Indian companies having offices in Pakistan.

**Shri Mehr Chand Khanna:** This is not connected with the main question. But I might say that in the early stages, a decision was taken—I am speaking from memory—that if a company had its head office in India and was functioning in Pakistan, that company was to be declared as non-evacuee, and I believe also that if 51 per cent. of the share holders of a company having its head office in Pakistan lived in India and less than 49 per cent. in Pakistan, that company was to be treated as evacuee.

**Shri P. G. Deb:** May I know how many Pakistan firms have been allowed to have reciprocal facilities by the Indian Government? That is, how many Pakistan firms in Pakistan have been given reciprocal facilities?

**Shri Mehr Chand Khanna:** The position of the companies in India is different from that of those in Pakistan. There was wholesale migration from West Pakistan to India; and practically every Hindu and Sikh has come away. So, naturally, the assets left by us, and the number of companies which have been declared as evacuee are very very large; as compared with that, the assets left by them, and the number of their companies which have been declared as evacuee here are likely to be very small; I cannot give the exact number, but as I have said, their number would be very small.

**Sardar Iqbal Singh:** May I know the actual value of the funds so far transferred under this agreement?

**Shri Mehr Chand Khanna:** This agreement covers a large number of items. For example, there are fire-arms, buried treasures, household effects and a number of other items; there are about eight to ten or twelve of them. Unless a specific item is mentioned, I shall not be able to answer. But the agreement, by far and large, as far as the important items are concerned, has not been fully implemented.

**Shri Ajit Singh Sarhadi:** One of the items of the understanding was that displaced banks would be declared as non-evacuee by the Pakistan authorities. May I know whether this has been implemented by the Pakistan Government, and if so, whether any measures are being adopted for these banks to salvage their holdings there?

**Shri Mehr Chand Khanna:** A decision was arrived at between my counterpart in Pakistan, namely Gen. Sheikh, and myself, in the beginning of July in Calcutta. It has been agreed that these banks will be declared as non-evacuee, that is, our Indian banks and all that.

As regards the transfer of assets from Pakistan to India, the question of exchange control etc. will be discussed at the level of the two Finance Ministers and then settled. But, if the banks wish to function in Pakistan, they will be provided with the normal facilities. If they want to repatriate their funds to India from Pakistan, then, the two Finance Ministers will decide about the procedure.

Similarly, if the Pakistan Government do not wish any bank to function in Pakistan, that will also be governed by the international arrangement or the agreement that applies.

**Shri Ajit Singh Sarhadi:** I wanted to know whether this has been implemented, and these banks have been as non-evacuee in Pakistan. Are they non-evacuees now?

**Shri Mehr Chand Khanna:** The decision was taken only about a month ago; so, I am not in a position to answer this question. But what I could understand from my counterpart was that they meant to implement this decision. What I propose to do is this. I can give an assurance to the hon. Member that I shall look into this particular aspect and find out whether the assurance given to me in July has been implemented or not, and if it has not been done as yet, I shall take up the question again.

**Sardar Iqbal Singh:** We have got many agreements with Pakistan, but very few are being implemented. May I know whether any specific steps have been taken since July for the implementation of these decisions or agreements arrived at in July?

**Shri Mehr Chand Khanna:** Yes, as far as lockers and safe deposits are concerned, we have received third-party claims against these specific items. I think I can be quite sure in saying that at the last meeting between my officers and the officers of the Pakistan Government which was held in Lahore, the first hurdle was got over. But the lockers and safe deposits are to be transferred by the 30th September, 1961. So, I have still got a month to go.

**Shrimati Ila Palchoudhuri:** Arising out of the answer given by the hon. Minister that the lockers and safe deposits will be transferred, may I know whether the persons in India who have got a list of the things left in safe custody in Pakistan will get any compensation when these are verified, if it is found that the things which ought to be there are not there when these are transferred to India?

**Shri Mehr Chand Khanna:** Of couse, it is hypothetical. That can be known only after the lockers have been opened. We have got the keys. Those persons who are interested in the removal of the lockers from Pakistan to India have sent us their keys. In fact, they have also been invited to be present there in Lahore at the time when these lockers are made available to us, and all these lockers and safe deposits will be brought to our country. It is difficult for me to say whether these lockers and safe deposits have been rifled or not. t will be very difficult for me to say since this depends upon the good-will and grace of the Government of Pakistan. I hope that they are still intact.

**Shri Chintamoni Panigrahi:** May I know whether recently the hon. Minister has found any change in the attitude of the Government of Pakistan, regarding the implementation of these agreements?

**Shri Mehr Chand Khanna:** Mine is a very small matter. The question should be addressed to the Prime Minister. He will be in a better position to reply.

**Shri Chintamoni Panigrahi:** This relates to the amount which we are going to get, according to this agreement, from Pakistan. I am asking whether there is a change in the attitude of Pakistan after the conference.

**Shri Mehr Chand Khanna:** The question about the general attitude of Pakistan towards India is a bigger question. Mine is a very small matter. As regards this, we are going ahead with it. But as regards the bigger question, it will be for the Prime Minister to answer.

**Shri Ajit Singh Sarhadi:** May I know whether joint stock companies which have been displaced have been declared as non-evacuee and they will be able to salvage their assets?

**Shri Mehr Chand Khanna:** The position about joint stock companies is rather confused. We discussed this matter with the Pakistan Minister. Then it was discussed at the Secretaries level. Their position is that these joint stock companies have the right to be declared as non-evacuee only under the evacuee laws. If their Custodian has made a mistake and it is represented to him, the matter will be looked into, because according to them, these joint stock companies should have been declared evacuee.

If they are declared evacuee, that is in accordance with the law. That question is being further examined.

**Shri Ajit Singh Sarhadi:** Has an understanding been arrived at that these joint stock companies would be declared non-evacuee by the Pakistan Government? If so, has it been implemented?

**Shri Mehr Chand Khanna:** We are trying to do our best to salvage whatever we can from Pakistan. But if we press a bit too much, we might even lose hope in the little that I am getting from there.

### British Naval Doctor's Visit to Ladakh

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*997. **Dr. Ram Subhag Singh:**
**Shri Arjun Singh Bhadauria:**
**Shri P. G. Deb:**

Will the **Prime Minister** be pleased to state:

(a) whether a British Naval doctor posing as a Buddhist Bhikshu was allowed to visit Ladakh;

(b) if so, the places visited by him in Ladakh; and

(c) how long did he stay there?

**The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan):** (a) Shri Lobzang Jivaka, a Buddhist of British nationality was permitted to visit Ladakh in July, 1960.

(b) Rizong Monastery in Leh and Sankar Gompa.

(c) Approximately three months.

**Dr. Ram Subhag Singh:** May I know where that doctor is staying at present?

**Shri Sadath Ali Khan:** I do not know where he is. I do not think he is in Leh.

**Dr. Ram Subhag Singh:** Has he approached Government for revisiting Ladakh?

**Shri Sadath Ali Khan:** His request for a prolonged stay was turned down.

**Shri Tyagi:** Is he still in the service of the British Navy and is only posing as a Buddhist Bhikku? Is he actually a Buddhist or is posing as one?

**Shri Sadath Ali Khan:** It is understood that this gentleman known formerly as Michael Dillon was a doctor in the British Navy which he left about two years ago. He came to India in 1958 and at Sarnath assumed a Buddhist name and embraced the Buddhist faith.

**Shri P. G. Deb:** May I know how many foreigners have been allowed up till now to visit our forward areas in Ladakh? May I also know their names and the countries they represented?

**Shri Sadath Ali Khan:** I require notice. I cannot answer it offhand.

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** The hon. Member talks about forward areas. Forward areas' are something different from the Ladakh area. Nobody, to my knowledge, has gone there.

**Shri H. N. Mukerjee:** I wonder if Government has succeeded in keeping track of this gentleman and discovering for certain whether he is a genuine Buddhist convert studying Buddhist shastras and other things or whether he is pursuing other dubious objectives?

**Shri Sadath Ali Khan:** On the assumption that he is a genuine Buddhist scholar interested in Buddhist documents, he was allowed to go there.

**Shri H. N. Mukerjee:** We were told that this gentleman stayed in Ladakh, may not be in the 'forward area' whatever that means. But it was in an area which is of fairly strategic importance. He stayed there for more than three months and then he has vanished into thin air. It is the job of Government surely to discover what he is doing there, what he is like and ascertain whether he is a spy in disguise.

**Shri Jawaharlal Nehru**: Nobody has vanished. In fact, he has made another application to us to be allowed to go to the monastery again, which is under consideration.

**Shri Hem Barua**: May I know whether this British Naval doctor-turned, Buddhist Monk visited any other monastery in this country or he just visited the monasteries in Ladakh? If it is the latter, what are the specific reasons why he had gone only to the monasteries in Ladakh?

**Shri Jawaharlal Nehru**: There are very few other monasteries in India—one or two in the Darjeeling area. Buddhism, as the hon. Member might know, is not widespread here.

**Shri Hem Barua**: I just wanted to know why he visited the monasteries in that area?

**Shri Jawaharlal Nehru**: Most of the monasteries in India are in Ladakh and people go there to study and to take a kind of degree in the higher ordination. He became a Buddhist at Sarnath. He has reached the next grade by going through very severe practices and regimes. He was recommended by the Buddhist Mnister in the Kashmir Cabinet, Shri Bakula. We accepted his recommendation. The fact of the matter is that we got a telegram and we did not know that he was a foreigner. The name given was the Buddhist name asking for an urgent reply. Then we said: 'All right. If you guarantee about him, we shall allow'. It was later that we learnt that he was a retired doctor of the British Navy. We have had no complaint about his stay there.

### Large Thermal Units in India

*998. **Shri Muhammed Elias**: Will the Minister of Commerce and Industry be pleased to state:

(a) what steps have been taken by the Government of India to ensure local supply of machinery parts required for normal maintenance of large thermal units now being installed throughout India;

(b) whether Heavy Electrical Factory at Bhopal has any future scheme for manufacture of 30,000, 50,000, 75,000 and 125,000 kW sets now being installed throughout India; if not, will India have to depend on foreign countries for the same;

(c) what are the reasons of selecting the above sizes of units, if there are now manufacture-schemes for such sets during next few years; and

(d) what steps have been taken by Government of India to ensure that the sets manufactured in Heavy Electrical Factory at Bhopal are of requisite standard?

**The Minister of Industry (Shri Manubhai Shah)**: (a) to (d). A statement is laid on the Table of the House. [*See* Appendix III, annexure No. 54].

**श्री म० ला० द्विवेदी** : इस बयान में यह लिखा है कि :

> "....a firm of international repute with considerable experience in the manufacture of electrical equipment...."

उस का इस्तेमाल किया जायेगा। मैं जानना चाहता हूं कि इस फर्म का नाम क्या है, उस को इमालुमेंट्स और रेमुनरेशन क्या दिया जायेगा और क्या प्राफिट्स में भी उसका कुछ हिस्सा रहेगा ?

**श्री मनुभाई शाह** : सदन में पहले बतलाया गया है :

The Associated Electrical Industries, U.K., are collaborating with us; the agreement has been laid before the House several times. All these matters have been examined.

**श्री म० ला० द्विवेदी** : इस बयान में लिखा है

> "....it may not be economical in some cases to manufacture the spares indigenously for existing equipment....".

मैं जानना चाहता हूं कि क्या कुछ भाग ऐसे भी हैं जिन का मैनूफैक्चर यहां किया जायेगा ? यदि हां, तो कितने प्रतिशत ?

**श्री मनुभाई शाह** : यह जो तीन कारखाने हैं उन में १०० प्रतिशत किया जायेगा । जो सवाल है वह बहुत ज्यादा वाइड है । आजकल जो पुराने जमाने के बिजली के कारखाने चलते हैं, और जो हजारों मैनूफैक्चरर्स के हैं, उन में सब स्पेयर पार्टस बनाना शक्य नहीं है । उन में थोड़े बहुत पार्टस् बनाये जायेंगे ।

### U.N. Peace Fund

***999. Sardar Iqbal Singh:** Will the **Prime Minister** be pleased to state:

(a) whether Government of India have suggested to the U.N.O. to maintain Peace Fund to finance special Missions to be set up due to emergencies and crises in different parts of the World;

(b) if so, the main features of this proposal; and

(c) the reactions of other U.N. members?

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):** (a) No, Sir.

(b) and (c). In view of the controversy over the financing of peace-keeping operations already undertaken by the United Nations, the general question of what methods are appropriate has been referred to a Working Group of 15 U.N. Members, which is still studying the matter. Its report will be debated at the forthcoming General Assembly Session. The general positions of different Members vary between the stand that such expenses are a Charter obligation of all Member States and the stand that separate and special arrangements are necessary in each case, but what concrete proposals the Working Group or its different Members may make can be fully considered only when its report is available.

**Sardar Iqbal Singh:** May I know whether Government still wants to pursue this matter in the U.N General Assembly?

**Shrimati Lakshmi Menon:** Certainly, it will be discussed and pursued by all the Governments.

### Appellate Courts for Former French Possessions in India

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***1004.** **Shri Ram Krishan Gupta:**
**Shri Chuni Lal:**
**Shri T. B. Vittal Rao:**
**Shri Tangamani:**
**Shri Kunhan:**

Will the **Prime Minister** be pleased to refer to the reply given to Starred Question No. 1926 on the 5th May, 1961 and state:

(a) whether Government have finalised administrative details for implementation of the decision regarding the substitution of the appellate Courts in Paris by alternative Indian bodies in former French Possessions in India; and

(b) if so, with what results?

**The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan):** (a) and (b). Government are still examining certain administrative details and expect to finalise the arrangements for setting up of the appellate Indian bodies in the near future.

**Shri Ram Krishan Gupta:** What is the legal position at present of the final appellate authority at Paris?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** In Paris? Does the hon. Member want me to tell him about the French laws on the subject? I am not competent to do so, except to say that they have to go to some appellate authority in Paris. That is all I can say. Now we are trying to divert that to Indian appellate courts.

**Shri Tyagi:** At what stage is the question of the *de jure* transfer of these territories? Is it a question in hand, is it under negotiation, or is it lying standstill?

**Shri Jawaharlal Nehru:** It is a question on which periodically we remind the French Government, and we get an answer from them that they quite agree with us that this should be done, and they will do it, but for the present they are otherwise occupied.

**Shri Kunhan:** In answer to the previous question, the hon. Minister gave the same reply. May I know how much time it will take to implement the decision?

**Mr. Speaker:** That means making it *de jure*.

**Shri Jawaharlal Nehru:** I cannot fix it.

**Shri Hem Barua:** In view of the fact that the Government have so far not succeeded in advancing a single solid argument in favour of the inordinate delay involved in the *de jure* transfer of Pondicherry, may I know whether Government are going to serve an ultimatum on the Government of France and fix a date by which the *de jure* transfer should be effected, in view of the agitation that is going on in Pondicherry today?

**Shri Jawaharlal Nehru:** No, Sir. We are not.

**Shri H. N. Mukerjee:** This question has been put repeatedly, and nothing has been done. How long are we to wait on the good pleasure of a Government which behaves as badly as at Bizerta? Government tell us that they are trying to expedite the matter, but there is a limit to patience, particularly of the people of Pondicherry.

**Mr. Speaker:** What does he suggest?

**Shri H. N. Mukerjee:** Has Government anything to say? Just now the Prime Minister said "No" to a question asked here.

**Shri Jawaharlal Nehru:** I am sorry. I cannot quite see what we can do except to go on reminding them. We cannot break with France on this issue, and even if we break, it will not be solved that way.

**Shrimati Parvathi Krishnan:** On the 5th May when the same question was asked about the appellate court, we were told that one of the reasons for the delay was that the Law Ministry, the Home Ministry, the Madras High Court etc., had to be consulted. May I know whether the views of these various Ministries and the Madras High Court have been ascertained, or whether even that is still in the process of being done?

**Shri Jawaharlal Nehru:** They have, of course, been consulted, but I am not quite sure if all of them have sent their views and opinions about it or not.

**Shrimati Parvathi Krishnan:** May I know how long it will take because until these views are known we seem to be getting the same answer every time that it will take some time? May I know whether this matter is being speeded up.

**Shri Jawaharlal Nehru:** It is easy enough for us to speed up a question; it is not easy for us to speed up the reply of another party.

**Shri Hem Barua** *rose*—

**Mr. Speaker:** I can only allow information to be obtained. Enough information has been given. Hon. Members want to pursue and suggest that immediately steps ought to be taken.

**Shri Hem Barua:** It is a different question altogether.

**Shri Tangamani:** The Law Ministry has been at it for more than 12 months. We were told previously that it would not take very long.

**Mr. Speaker:** It is not the pleasure of the Government to go on waiting eternally. There are complaints. Therefore, they are trying to do their best in this matter.

**Shri Hem Barua:** May I draw your attention to the statement made by the Chief Commissioner of Pondicherry?

**Mr. Speaker:** Order, order. Next question.

### Corruption in C.P.W.D.

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*1005. **Shri Chuni Lal:**
**Shri Ram Krishan Gupta:**
**Shri M. L. Dwivedi:**
**Sardar Iqbal Singh:**
**Shri Kunhan:**

Will the Minister of **Works, Housing and Supply** be pleased to refer to the reply given to Unstarred Question No. 3302 on the 14th April, 1961 and state:

(a) whether the Committee appointed to examine the modes of corruption in the C.P.W.D. and to recommend measures for their eradication has submitted its report;

(b) if so, the measures suggested therein; and

(c) action taken thereon?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda):** (a) No, Sir.

(b) and (c). Do not arise.

### Asian Productivity Organisation

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*1006. **Shri Ajit Singh Sarhadi:**
**Shri Indrajit Gupta:**
**Shri Kalika Singh:**

Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether India has joined the newly established Asian Productivity Organisation (A.P.O.);

(b) whether the object is to import Japanese Productivity techniques into India and other Asian countries;

(c) the relationship between the Asian Productivity Organisation and the National Productivity Council in India; and

(d) the resultant advantages and obligations thereof?

**The Minister of Industry (Shri Manubhai Shah):** (a) to (d). A statement is laid on the Table of the Sabha.

### STATEMENT

(a) Yes, Sir.

(b) No, Sir. The object is to increased the Productivity of the member countries by mutual co-operation.

(c) The National Productivity Council is not a direct member of the Asian Productivity Organisation. Only the Governments of the participating countries are members of the Asian Productivity Organisation.

(d) By becoming a member, India would derive the benefits of participating in various A.P.O. Projects organised with a view to increasing productivity and will also in turn avail of the opportunity to play its legitimate role in economic developments in the neighbouring countries by helping in their productivity programmes. The annual contribution of each member for the first two years has been determined on the following basis:

(1) A basic contribution in the sum of two thousand dollars (U.S. $ 2,000.00).

(2) A supplementary contribution in addition to the basic contribution on the basis of fifteen hundred dollars (U.S. $ 1,500.00) for each unit, one unit to correspond to one billion dollars (U.S. $1,000,000,000·00) of Gross National Income or less, of that member.

India's share of membership contribution for the year 1961 which has been based on the national income figure for 1957 published in the U.N.O. statistics amounts to $ 38,000 (Rs. 1,82,000 approximately).

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**Shri Ajit Singh Sarhadi:** May I know whether there is any clause for the exchange of technical personnel and know-how?

**Shri Manubhai Shah:** Yes, Sir.

**Shri Ajit Singh Sarhadi:** May I know whether Indian productivity organisations would be asked to state the technical aid they need?

**Shri Manubhai Shah:** At the annual conference of the A.P.O., every country will be asked to state its requirements, and also state such help which they can gie to other member countries.

**Shri Muhammed Elias:** May I know whether any Indian expert on productivity will visit Japan, or any expert from Japan will visit India in the near future under this scheme?

**Shri Manubhai Shah:** Yes, Sir. There might be some training courses for the training of the trainers of productivity established under the aegis of the A.P.O. in India and experts from different countries including Japan and India will visit different member-countries.

## उत्तरी बिहार में रेडियो स्टेशन

***१००७. श्री बिभूति मिश्र :** क्या सूचना और प्रसारण मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि दोनों रेडियो स्टेशन बिहार के दक्षिणी भाग में स्थित हैं और उत्तरी भाग में एक भी नहीं है ; और

(ख) यदि हां, तो क्या सरकार अगले वर्ष तक उत्तर बिहार की जन संख्या के अधिक लाभ के लिये एक रेडियो स्टेशन मुजफ्फरपुर (उत्तर बिहार) में खोलना चाहती है ?

**सूचना और प्रसारण मंत्री के सभासचिव (श्री शा० नं० जोशी) :** (क) यदि माननीय सदस्य का बिहार के दक्षिणी भाग से मतलब गंगा नदी के दक्षिण की ओर के भाग से है, तो उत्तर "हां" है ।

(ख) गंगा के उत्तर बसने वाले लोग पटना के वर्तमान २० किलोवाट मीडियम वेव के ट्रांसमीटर से और भागलपुर में लगने के लिये प्रस्तावित १० किलोवाट मीडियम वेव ट्रांसमीटर से अच्छी प्रकार कार्यक्रम सुन सकते हैं क्योंकि वह इलाका इन केन्द्रों के निकट है । इसलिये मुजफ्फरपुर में रेडियो स्टेशन खोलने की कोई तजवीज नहीं है ।

**श्री बिभूति मिश्र :** पटने से हिमालय की तराई तक उत्तर बिहार पड़ता है और पूर्व में पाकिस्तान पड़ता है । यह एरिया बहुत ज्यादा पापुलेटेड है । पटना के रेडियो स्टेशन से काम नहीं चल सकता है । मैं जानना चाहता हूं कि क्या पार्लियामेंटरी सेक्रेटरी साहब ने जा कर वहां की स्थिति को देखा है और देखा है तो इस बात का ख्याल रखा है कि इस एरिया का काम कैसे चलेगा ?

**The Minister of Information and Broadcasting (Dr. Keskar):** Though the radio station is technically on the south of the Ganges, it is as much connected with North Bihar as any other station can be. The criterion for a radio station will always be whether it is well heard, and I do not think there can be any complaints about it as far as the Muzaffarpur-Darbhanga area is concerned. The eastern area, i.e., Bhagalpur and north of it was not adequately covered, and we are proposing to set up a transmitter there.

**श्री बिभूति मिश्र :** उत्तर बिहार का एरिया हिमालय की पहाड़ियों तक चला जाता है । जंगल भी बीच में पड़ता है । वहां पर हमारे मंत्री जी आकर देखें तो उनको पता चलेगा कि सुनाई नहीं पड़ता है । चूंकि वहां सुनाई नहीं पड़ता है इसवास्ते क्या मंत्री जी मुजफ्फरपुर में खोलने की चेष्टा करेंगे ?

**श्री शा० नं० जोशी :** एक मीडियम वेव ट्रांसमीटर १० किलोवाट का भागलपुर में लग रहा है । दूसरे रांची के मीडियम वेव ट्रांसमीटर की शक्ति ५ किलोवाट हो रही है । जब ये कम्प्लीट हो जायेंगे तो अधि-

कांश उत्तरी भाग को सुनने में आसानी हो जायेगी ।

**श्री विभूति मिश्र** : यह सारा साउथ बिहार है । भागलपुर रांची और पटना एक ही लाइन में पड़ते हैं। नार्थ बिहार की पापुलेशन लगभग दो करोड़ है । वहां कोई स्टेशन नहीं है । मैं वहां के लिये पूछ रहा हूं और आप साउथ बिहार की बात बता रहे हैं ।

**डा० केसकर** : मैं इस बात को मानने के लिये तैयार नहीं हूं कि नार्थ बिहार में पटना का जो ट्रान्समिटर है, उससे सुनाई नहीं देता है । यह हो सकता है कि तराई में और जो पहाड़ियां हैं, उनमें सुनाई न देता हो । हर कोने में सुनाई दे, इसका इंतिजाम करने के लिये बहुत ज्यादा खर्च करने की जरूरत होगी । इस समय जो हम कर सकते हैं, अधिक से अधिक जितना कवरेज दे सकते हैं, देने की कोशिश कर रहे हैं । मुजफ्फरपुर की जहां तक बात है, वहां ट्रांसमिटर लगने से बहुत बड़ा अन्तर नहीं पड़ेगा क्योंकि उसके और पटने के बीच अन्तर बहुत कम है ।

**श्री म० ला० द्विवेदी** : पटने में जो ट्रांसमिटर लगा हुआ है, वह कितने किलोवाट का है और क्या कारण है कि उत्तरी भाग में उससे सुनाई नहीं पड़ता है । यदि माननीय सदस्य का यह कहना सही है कि उससे सुनाई नहीं पड़ता है तो क्या उस ट्रांसमिटर की ताकत बढ़ाने का कोई इति रहा है ?

**डा० केसकर** : पटना का ट्रांसमिटर काफी शक्तिशाली है, बीस किलोवाट का है । और जैसा मैं ने कहा, मैं अपने दोस्त श्री विभूति मिश्र के इस बयान को मानने के लिये तैयार नहीं हूं कि वह नार्थ बिहार में सुनायी नहीं देता ।

## Export of Cotton

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*1008. **Sardar Iqbal Singh:**
**Shri P. C. Borooah:**
**Shri Ram Krishan Gupta:**

Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether the target of annual export of raw cotton of 3 lakh bales is not considered to be inadequate in view of the past export records achieved during the Second Plan period;

(b) what was the annual average export of cotton during the Second Five Year Plan;

(c) whether Government have tried to find new markets for exporting cotton from India; and

(d) if so, to what extent these efforts have succeeded?

**The Minister of Commerce (Shri Kanungo)**: (a) to (d). A statement is laid on the Table of the House.

### STATEMENT

(a) Government have not fixed an annual target of 3 lakh bales for the export of raw cotton. The question of the inadequacy of the target does not, therefore, arise. However, it may be stated that the quantity of cotton to be exported each year is decided after a careful review of the crop position and the net quantity available for exports after meeting indigenous requirements.

(b) 3.3 lakh bales.

(c) No, Sir.

(d) Does not arise.

**Sardar Iqbal Singh:** It is written in the statement that every year a decision regarding the quantity is taken after a careful review of the crop

position and the net quantity available. Is it a fact that a large surplus of cotton is lying in India and and still there is no export quota being given?

**Shri Kanungo**: No, Sir.

**Sardar Iqbal Singh**: What steps have been taken by Government to dispose of surplus Indian short-staple cotton which is lying in all the markets in Punjab and Gujarat?

**Shri Kanungo**: My assessment of the situation is that no excess short-staple cotton is there anywhere in the country.

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## WRITTEN ANSWERS TO QUESTIONS

### Jute Industry

***983. Shri Indrajit Gupta**: Will the Minister of **Commerce and Industry** be pleased to refer to the reply given to Unstarred Question No. 2494 on the 29th March, 1961 and state:

(a) whether the Jute Industry in India is suffering from surplus capacity of production; and

(b) if so, the reasons for which a licence has been granted to establish a new jute mill at Silghat in Assam?

**The Minister of Commerce (Shri Kanungo)**: (a) No, Sir.

(b) Further expansion of capacity for the manufacture of jute goods is not generally allowed. In view however, of the special position of Assam as an industrially backward state, and the high cost of transporting jute goods from the factories outside the State, a factory with 150 looms has been allowed to be established at Silghat.

### Industrial Project

***985.** { **Shri Narayanankutty Menon:**
**Shri Punnoose:**

Will the Minister of **Planning** be pleased to state:

(a) whether Government propose to allow State Governments to undertake industrial projects by them; and

(b) if so, what are the conditions under which they will be allowed to do so?

**The Deputy Minister of Planning (Shri S. N. Mishra)**: (a) Yes, Sir; several industrial schemes are included in the Third Five Year Plans of the States.

(b) These schemes are finalised in consultation with the Planning Commission on the basis of the availability of financial resources including foreign exchange, the scope for the development of such industries and the priority attached to them. Normal conditions as are applicable to the establishment of industrial units such as securing a licence under the Industries Act, import licences for capital equipment etc. are applicable to industrial units of State Governments also.

### Export of Leather Bags etc. to Malaya, Singapore and Australia

***988.** { **Shri B. Das Gupta:**
**Shri Aurobindo Ghosal:**

Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether there is sufficient demand of Indian leather bags, suitcases and sports goods in Malaya, Singapore and Australia; and

(b) if so, what steps have been taken to boost up the export?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra)**: (a) The demand for leather bags and suit-cases is small, but there is a fair demand for sports goods.

(b) A Trade Delegation sponsored by the Sports Goods Export Promotion Council visited these countries in 1960. Indian sports goods have been advertized in local newspapers, and journals. Leather goods and sports goods were recently exhibited at the exhibitions at Kuala Lumpur, Singapore and Sydney.

## Labour Incentive Schemes in Public Sector Undertakings

*990. { **Shri Morarka:**
**Shri Pramathanath Banerjee:**

Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether a team of Russian experts have submitted a report regarding labour incentive schemes in public sector undertakings;

(b) what are their main recommendations;

(c) whether Government have considered them; and

(d) if so, with what result?

**The Minister of Industry (Shri Manubhai Shah):** (a) Yes, Sir. Copies of the report are placed in the Library of the House.

(b) to (d). The report is under consideration.

## Heavy Engineering Industrial Projects

*992. **Shri P. C. Borooah:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether Japan has indicated an interest in extending co-operation and collaboration with India in Heavy Engineering Industrial Projects under Third Five Year Plan; and

(b) if so, in what industries and in what form and to what extent?

**The Minister of Industry (Shri Manubhai Shah):** (a) and (b). A Yen credit equivalent to $80 million has recently been finalised from Japan. The question of which projects are to go forward against this credit has not yet been settled.

## Debate on Sale of Handloom Cloth

*994. **Shri Kalika Singh:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether the scheme of rebate on sales of handloom cloth is likely to continue for some years without any modification;

(b) whether the reduction of rebate from six naya paise to five naya paise has resulted in fall in the sales of handloom cloth; and

(c) what are the other alternatives besides the scheme of rebate under consideration of Government to encourage sales of handloom cloth?

**The Minister of Commerce (Shri Kanungo):** (a) to (c). The scheme of rebate on sales of handloom cloth is likely to continue for some time but the conditions attached to the scheme and the rate may be modified from time to time as considered necessary.

The reduction in the rate of rebate has not affected the sales of handloom cloth.

Schemes for giving good finish to handloom cloth, setting up sales depots, provision of mobile sales vans, and giving publicity through various media to popularise sales of handloom cloth have been in operation for some time. Other measures recommended by the Working Group (Study Team) appointed by the NIDC regarding marketing of handloom fabrics have been accepted by the Government in principle. All such schemes will be examined on their merits.

## Issue of Transfer and Sale Deeds to Displaced Persons

*1000. **Shri Balraj Madhok:** Will the Minister of **Rehabilitation and Minority Affairs** be pleased to state:

(a) whether it is a fact that transfer and sale deeds have not been issued to large number of displaced persons from West Pakistan who are allottees of Government-built property in spite of the fact that they have made full payment for the same in cash or in the form of claim bonds long ago; and

(b) whether Government will pay to such displaced persons interest on the amount thus deposited by them for the intervening period?

**The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna)**: (a) The number of properties sold is about 1½ lakhs. Sale deeds have been issued in a number of cases, but they still remain to be issued in others. Steps are being taken to expedite the process so that the remaining sale deeds are issued as soon as practicable.

(b) The question of payment of interest does not arise because provisional possession has been given in most cases and no rent is charged by Government after specified dates.

### Trade Talks with Ceylon Government

*1001. **Shri Achar**: Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is proposed to open talks with Ceylon Government for the purpose of coming to an agreement to regulate trade between India and that country; and

(b) whether Ceylon Government has proposed to send a delegation to India for the said purpose and if so, when it is coming over here?

**The Minister of Commerce (Shri Kanungo)**: (a) and (b). An invitation has recently been extended to the Government of Ceylon to send a delegation to India in September 1961 to discuss matters relating to Indo-Ceylon trade. It is not known yet as to when the proposed delegation will come.

### Small Scale Industries

*1002. **Shri Punnoose**: Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that the small scale manufacturers who desire to set up small scale industrial units and obtain loan from Government on instalment basis are asked to buy machinery from particular firms only;

(b) whether it is also a fact that these firms charge much higher rates than the competitive prevailing rates in the market;

(c) whether it is also a fact that a large number of manufacturers could not avail of this facility due to the above policy; and

(d) if so, whether Government propose to remove this condition for the purpose of granting loans to the small scale manufacturers?

**The Minister of Industry (Shri Manubhai Shah)**: (a). No loans are given by the Government of India directly to small units for purchase of machinery. Presumably the hon. Member is referring to the scheme under which the National Small Industries Corporation supplies machinery on Hire Purchase basis to small scale units. Under this scheme, the applicants have to furnish full specifications and one set of quotations received by them from suppliers. The National Small Industries Corporation calls for quotations from the suppliers indicated by the applicant, and if the suppliers are only Agents or shippers, the Corporation takes the additional precaution of inviting quotations from the Manufacturers to ensure that the prices quoted by the Agents/shippers are reasonable. The quotations thus received are sent to the applicants for selection and orders are placed only according to the selection made by the applicants.

(b) Does not arise.

(c) The number of applications for supply of machinery by the National Small Industries Corporation under its Hire Purchase Scheme is very much on the increase. *viz.* as against applications for 661 machines valued at Rs. 165·43 lakhs accepted in 1956-57, applications for 2009 machines valued at Rs 972.28 lakhs were accepted in 1960-61.

(d) Does not arise.

### Voting Rights to Goans Residing in India

*1003. { **Shri Braj Raj Singh**:
**Shri Jagdish Awasthi**:

Will the Prime Minister be pleased to state:

(a) whether the Government of India are thinking to grant voting rights to the Goans residing in the Indian territories; and

(b) if not, whether in view of our declared policy about Goa having always remained a part of India, Government would grant voting rights for the next General Elections to the Goans living in India?

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):** (a) All Goans who had their domicile in India and had been ordinarily resident in India for not less than five years immediately before 26th January, 1950, are eligible, if they are otherwise qualified, for registration as voters. This has been made clear by the Election Commission to the Chief Electoral Officers of all States and Union Territories. In other cases they should have taken out naturalisation certificates under the Citizenship Act.

(b) In Government's view most Goans, resident in India, would, under these instructions, enjoy voting rights. No special measures are, therefore, necessary.

### Import of Non-Ferrous Metals

***1009. Shri D. C. Sharma:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether the U.S. Government has approved a loan of $ 20 million to India for the import of non-ferrous metals which are at present in short supply in this country;

(b) if so, the main terms and conditions of the loan; and

(c) the purposes for which these metals will be utilised?

**The Minister of Industry (Shri Manubhai Shah):** (a) to (c). The agreement has not yet been signed. A copy thereof, when signed, will be placed in the Library of the Parliament as usual by the Finance Ministry.

### Visit of Indian Officials to Barahoti

***1010. { Dr. Ram Subhag Singh:**
**Shri Arjun Singh Bhadauria:**

Will the **Prime Minister** be pleased to state:

(a) whether a party of revenue officials from India visited Barahoti;

(b) if so, how long did they stay there; and

(c) how did they find the situation there?

**The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan):** (a) Barahoti is Indian territory and, therefore, a revenue party has gone there this year also.

(b) The party is still there.

(c) It has not come across anything abnormal.

### Planning Commission

***1011. Shri Harish Chandra Mathur.** Will the Minister of **Planning** be pleased to state:

(a) whether the Planning Commission examines the various projects and schemes individually even after a provision has been made for these in the Plan or Central Ministries and States are free to finalise schemes within ceilings approved by the Planning Commission; and

(b) what is the relationship of the Planning Commission with various Ministries and State Governments and the control exercised by it?

**The Deputy Minister of Planning (Shri S. N. Mishra):** (a) Except for certain irrigation and power, industry and transport projects, Planning Commission does not usually examine the projects and schemes individually after they have been approved and included in the Plan.

(b) Planning Commission is an advisory body and in the preparation of the five-year and annual plans it proceeds on the basis of consultation with State Governments and Central Ministries.

### Enquiries re: Export

*1012. **Shri Balraj Madhok**: Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether it is a fact that whenever enquiries in regard to the policy of particular item and clarification for export purposes is made in his Ministry, it is referred to the tariffs instead of giving the required information;

(b) if so, whether such replies are in conformity with Government policy to accelerate exports; and

(c) if not, whether Government would take necessary steps to ensure that specific information is supplied to the public promptly to accelerate exports?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra)**: (a) to (c). All enquiries in regard to exports are attended to promptly. A 'Hand Book of Export Trade Control' published by the Manager of Publications, Delhi contains detailed information about export policies in regard to controlled commodities. It is a priced publication but copies are available in Parliament Library. Government is anxious to promote exports and to render all possible assistance to the traders. It is difficult to give a precise answer unless specific case is cited.

### Loans to Dock Labour Boards

*1013. **Shri Ram Krishan Gupta**:
**Shri Chuni Lal**:
**Sardar Iqbal Singh**:

Will the **Minister of Labour and Employment** be pleased to refer to the reply given to Starred Question No. 1543 on the 14th April, 1961 and state:

(a) whether Government have received final reply from the Dock Labour Boards at Bombay and Calcutta on proposals for providing loans to Dock Labour Boards; and

(b) if so, action taken thereon?

**The Deputy Minister of Labour (Shri Abid Ali)**: (a) Yes. But they have asked for extension of the subsidised industrial housing scheme to dock workers.

(b) The matter has been reconsidered and it is proposed to frame a separate housing scheme for these workers.

### Export of Tea to Egypt

*1014. **Shri P. C. Borooah**: Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether India's tea exports to Egypt have of late been on the increase;

(b) if so, what are the export figures during the months April to June, 1961 *vis-a-vis* the exports during the corresponding period last year;

(c) whether there are possibilities of further rise in tea exports to that country; and

(d) if so, to what extent?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra)**: (a) Yes, Sir.

(b) Exports of tea from India to Egypt during April-June 1961 have been estimated at 6·131 million lbs. against 6·114 million lbs. during the corresponding period of 1960.

(c) and (d). It is hoped that our promotional efforts in Egypt helped by the bilateral trade arrangements between India and the UAR will result in increased exports of tea.

### Export Promotion

*1015. **Shri Balraj Madhok**: Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether he is aware that the enquiries regarding export promotion

**and their clarifications are badly delayed in his Ministry; and**

(b) how many such enquiries of more than one month old are pending with the Ministry and the reasons therefor?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra):** (a) and (b). Enquiries regarding export promotion are attended to expeditiously. No enquiries of more than one month old are pending disposal.

### Death of a Goan Nationalist in a Jail in Goa

***1016. Shri D. C. Sharma:** Will the **Prime Minister** be pleased to state:

(a) whether it is a fact that a Goan nationalist leader died in Jail due to burns inflicted by the Portuguese police in an attempt to extort information about the liberation movement in Goa;

(b) if so, the reaction of the Government of India thereto; and

(c) the steps taken or proposed to be taken to check such torture to political prisoners?

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):** (a) Government have received information that Shri Eusebio Viegas, a Goan nationalist who was recently arrested by the Portuguese authorities died, as a result of torture inflicted on him by the authorities in Goa, on 14th August, 1961.

(b) and (c). The Government of India have repeatedly expressed their concern at the inhuman conduct of the Portuguese authorities and the barbarous ways in which they seek to suppress the nationalist movements, as much in evidence in Goa as in Angola.

### Khadi and Gramodyog Centres

**2513. Shri Ram Krishan Gupta:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) the number and names of places where khadi and gramodyog centres were opened in Punjab during 1960-61; and

(b) the names of places where these centres will be opened during 1961-62?

**The Minister of Industry (Shri Manubhai Shah):** (a) and (b). Excluding a few industries in respect of which information is not yet available, 143 Khadi Gramodyog Centres were opened in Punjab during the year 1960-61. A statement giving the names of the places where these Centres have been opened or are proposed to be opened during 1961-62 is placed on the Table of the House. [*See* Appendix III, annexure No. 55]. Similar information in respect of the remaining industries will be placed on the Table of the House in due course.

### Industrial Development of Punjab

**2514.** { **Shri Ram Krishan Gupta:**
**Sardar Iqbal Singh:**
**Shri D. C. Sharma:**

Will the Minister of **Commerce and Industry** be pleased to state:

(a) the names of large scale industries that the Central Government have directly set up in Punjab during 1960-61; and

(b) whether any such industry will be set up during 1961-62?

**The Minister of Industry (Shri Manubhai Shah):** (a) One large scale industry *viz.* Nangal Fertilizer Heavy Water Project has been set up in Punjab by the Central Government. The fertilizers part of the project (Nangal Fertilizer Factory) was completed in 1960-61 and has gone into production in February, 1961. Heavy Water part of the project is expected to start production in 1961-62.

(b) It has been decided to set up a Machine Tool Factory with an annual production capacity of 1000 Machine Tools per annum at Pinjaur in Punjab. Preliminary work connected with the setting up of the factory will be undertaken during the current year (1961-62).

### Central Design Organisation

**2515. Shri Ram Krishan Gupta:** Will the Minister of **Works, Housing and Supply** be pleased to refer to the reply given to Starred Question No. 1928 on the 5th May, 1961 and state:

(a) whether Government propose to set up an expert central design organization in C.P.W.D. for designing various types of more important categories of works; and

(b) if so, the details thereof?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda):** (a) and (b). A proposal for the setting up of a Central Designs Organisation in the C.P.W.D. is under consideration of Government.

### Boundary Dispute between NEFA and Assam

2516. **Shri Ram Krishan Gupta:**
**Shri P. C. Borooah:**
**Shrimati Mafida Ahmed:**
**Shri Hem Barua:**

Will the **Prime Minister** be pleased to refer to the reply given to Unstarred Question No. 4611 on the 5th May, 1961 and state:

(a) whether Government have finally settled boundary dispute between NEFA and Assam; and

(b) if so, the steps taken to demarcate the boundary?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** (a) and (b). There is no boundary dispute as such between Assam and NEFA.

There was a local demand for the revision of the boundary to bring certain villages in Assam inhabited by Adi tribe within the jurisdiction of NEFA. The Political Officer of the Siang Frontier Division of NEFA and the Deputy Commissioner of Lakhimpur District of Assam have since toured the area and explained to the people that there will be no interference in their traditional rights irrespective of whether they are under Assam or NEFA.

Marking of the boundary physically on the ground is in progress. The Survey Department of Assam have completed work over a length of 247 miles out of a total of 427 miles.

### Plantation of Rubber

**2517. Shri Ram Krishan Gupta:** Will the Minister of **Commerce and Industry** be pleased to refer to the reply given to Unstarred Question No. 4646 on the 5th May, 1961 and state:

(a) whether Government have since examined the scheme of the Kerala Government regarding new planting of rubber on Government forest lands and other private lands; and

(b) if so, the result thereof?

**The Minister of Commerce (Shri Kanungo):** (a) and (b). The Kerala Government's scheme regarding new planting of rubber was examined by the Planning Commission in consultation with the representatives of that Government and the following programme was considered realistic:

| | Acreage | Estimated cost |
|---|---|---|
| | | (Rs. lakhs) |
| (i) Planting by Government Company | 20,000 | 250·00 |
| (ii) Small holders (Unit of 10 acres) | 75,000 | 380·00 |
| (iii) Landless and poor peasants (Unit of 7 acres) . | 10,000 | 60·00 |
| | 105,000 | 690·00 |

### Bilateral Trade Pact with Malaya

**2518. Shri Ram Krishan Gupta:** Will the Minister of **Commerce and Industry** be pleased to refer to the reply given to Unstarred Question No. [illegible] on the 5th May, 1961 and state:

(a) whether Government have considered the offer of Malaya for bilateral trade pact; and

(b) if so, the result thereof?

**The Minister of Commerce (Shri Kanungo):** (a) and (b). The matter is still under consideration.

### Handicrafts and Rural Crafts Museums

**2519. Shri Ram Krishan Gupta:** Will the Minister of **Commerce and Industry** be pleased to refer to the reply given to Unstarred Question No. 4676 on the 5th May, 1961 and state:

(a) whether Government have considered the proposal to set up Handicrafts Museums and Rural Crafts Museums in the country during the Third Five Year Plan; and

(b) if so, the result thereof?

**The Minister of Industry (Shri Manubhai Shah):** (a) Yes, Sir.

(b) Besides a Central Museum of Handicrafts already set up in New Delhi, the Central Government propose to set up Rural Crafts Museums during the 3rd Plan as shown in the statement laid on the Table of the House. [*See* Appendix III, annexure No. 56(a)].

An amount of Rs. one lakh has also been sanctioned in favour of Bombay Suburban District Village Industries Association for the establishment of a Khadi and Village Industries Museum at Kora Kendra, Borivali. An amount of Rs. ten thousand has been sanctioned for setting up another Khadi and Village Industries Museum at Rajghat, Delhi. Craft Museums under Handicrafts proposed by the State Governments in the 3rd Plan are as shown in the statement laid on the Table of the House. [*See* Appendix III, annexure No. 56(B)].

### Murder of an Indian Official at Ottawa

**2520. Shri Ram Krishan Gupta:** Will the **Prime Minister** be pleased to refer to the reply given to Unstarred Question No. 4684 on the 5th May, 1961 and state:

(a) whether Government have considered the proposal to give compensation to the widow of late Shri Shankra Pillai of the India High Commission's Office who was murdered at Ottawa recently; and

(b) if so, the result thereof?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** (a) and (b). The Government is considering the grant of an extraordinary award in the form of a monthly allowance (family pension) to the widow of the late Shri Sankara Pillai. A decision is expected to be arrived at shortly.

### River Feni

**2521. Shri Ram Krishan Gupta:** Will the **Prime Minister** be pleased to refer to the reply given to Starred Question No. 1849 on the 2nd May, 1961 and state:

(a) whether the dispute regarding River Feni has been finally settled between India and Pakistan; and

(b) if so, the nature of decision arrived at?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** (a) No, Sir.

(b) Does not arise.

### Import of Copper and Brass Scrap

**2522. Shri Pangarkar:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) the quantity and value of copper and brass scrap imported during the year 1960-61;

(b) the quantity of copper and brass scrap allocated to Maharashtra during the year 1960-61; and

(c) the quantity actually supplied during the above period?

**The Minister of Industry (Shri Manubhai Shah):** (a) Actual statistics of quantity and value of copper and brass scrap imported during 1960-61 are not readily available.

(b) The following quantities of copper and brass scraps were allocated to Maharashtra during 1960-61:

| | *Metric Tonnes* |
|---|---|
| Copper Scrap | 122 |
| Brass Scrap | 234 |

(c) The quantities actually supplied to small scale industrial units in the Maharashtra State during the above period would approximate to (b) as above. Actual figures are not available.

### Trade Delegation

**2523. Shri Pangarkar:** Will the Minister of **Commerce and Industry be** pleased to state:

(a) the number of foreign trade delegations that visited India and the number of Indian trade delegations which went abroad during the first half of the year 1961; and

(b) the names of countries with whom trade agreements have been entered into during the period from April to June, 1961?

**The Minister of Commerce (Shri Kanungo):** (a) During the first half of 1961, nine foreign trade delegations visited India and two officially sponsored Indian trade delegations visited foreign countries.

(b) During the period, April-June, 1961, trade agreements/arrangements were concluded with Iran and North Korea.

### Passports to Indians for visiting Pakistan

**2525.** { **Shri Pangarkar:**
**Shri D. C. Sharma:**

Will the **Prime Minister** be pleased to state:

(a) the number of applications received in the second quarter of the year 1961 from Indian citizens for passports to go to Pakistan to see their relations who are citizens of Pakistan;

(b) the number of applications granted;

(c) the number of applications still under consideration; and

(d) the number of applications rejected?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** (a) 29,259.

(b) 28,091 passports were issued and renewed in some cases.

(c) and (d). This information is being collected and will be placed on the Table of the House, as soon as it becomes available.

(NOTE: Figures at (a) and (b) do include information in respect of the State Government of Punjab).

### Indians in South Viet-Nam and Indonesia

**2524.** { **Shri Pangarkar:**
**Shri D. C. Sharma:**

Will the **Prime Minister** be pleased to state:

(a) the number of Indian nationals residing at present in South Viet-Nam and Indonesia separately; and

(b) whether they are enjoying all citizenship rights?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** (a) The number of Indian nationals residing at present in South Viet-Nam is estimated at 1,400 and in Indonesia between 20,000 and 25,000.

(b) The question of their enjoying all citizenship rights does not arise. They are treated like other foreigners and we are not aware of any discrimination being practised against them.

### Antibiotic Factories

**2526. Shri N. M. Deb:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) how many antibiotic factories are likely to be set up in India during the Third Five Year Plan; and

(b) the names of places where they will be set up and the cost of each such factory?

**The Minister of Industry (Shri Manubhai Shah):** (a) Four factories adopting fermentation technology have already been set up and three more schemes are under implementation.

(b):

| Name of place | Estimated capital cost (in crores) |
|---|---|
| | Rs. |
| Rishikesh | 10·5 |
| Balsar . . . . . | 0·7 |
| In Gujarat State (Exact place yet to be finalised) . . | 0·7 |

### Small Scale Industries of Madhya Pradesh

**2527. Shri Kistaiya:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether any assessment has been made in respect of small-scale industries, especially cheap radio sets, transistor sets and other similar industries in private sector running in Madhya Pradesh;

(b) the names of the industries which are no longer in existence in this State, but which are most common and beneficial for common man in other States; and

(c) whether Government have any scheme to promote industries in Madhya Pradesh by means of granting loans, imparting training and giving other similar facilities?

**The Minister of Industry (Shri Manubhai Shah):** (a) to (c). Yes, Sir.

Industrial survey has been made throughout the country including Madhya Pradesh in respect of a number of Small Scale Industries including domestic wireless receiver sets and components.

During 1960 a survey of Bhilai region in Madhya Pradesh was undertaken with a view to assess the industrial potential of the area and a number of industries including the following have been recommended for development in the region:—

(i) Auto leaf springs, (ii) Auto batteries, (iii) Hand tools, (iv) Agricultural implements, (v) Builders' hardware, (vi) Steel furniture, (vii) Bicycles accessories and parts, (viii) Wood-based stationery and utility articles, (ix) Industrial hand gloves, (x) Re-rolling mill, (xi) Metal engineering workshops and foundry, (xii) Suit case fitting, (xiii) Expanded metal and (xiv) Electric motors.

The policy of Government is to promote industries in Madhya Pradesh and other States by means of rendering financial assistance, arranging training facilities, procurement of machinery on hire purchase etc.

During the Third Five Year Plan, a provision of Rs. 472.02 lakhs has been made for Madhya Pradesh for the development of Small Scale Industries.

### विदेश स्थित भारतीय दूतावासों में कर्मचारी

**२५२८. श्री क० मे० मालवीय :** क्या प्रधान मंत्री यह बताने की कृपा करेंगे कि :

(क) विदेश स्थित किन-किन भारतीय दूतावासों में हिन्दी स्टेनोग्राफर और टाइपिस्ट नियुक्त हैं ;

(ख) क्या सभी दूतावासों में उन्हें नियुक्त करने की कोई योजना है ; और

(ग) यदि हां, तो उसका ब्यौरा क्या है ?

**प्रधान मंत्री तथा वैदेशिक-कार्य मंत्री (श्री जवाहरलाल नेहरू)** (क) हमारे काठमांडू (नेपाल) स्थित राजदूतावास में एक हिन्दी आशुलिपिक (स्टेनोग्राफर) और हमारे पीकिंग (चीन) स्थित राजदूतावास में एक हिन्दी स्टेनो-टाइपिस्ट नियुक्त किया गया है ।

(ख) जी नहीं ।

(ग) प्रश्न नहीं उठता ।

### Rickshaw Pullers in Delhi

**2529. Shri Onkar Lal:** Will the Minister of **Labour and Employment** be pleased to state:

(a) the total number of rickshaw pullers in Delhi;

(b) whether Government have any scheme for the improvement of the condition of these rickshaw pullers; and

(c) if so, the outline of such schemes?

**The Deputy Minister of Labour (Shri Abid Ali)**: (a) 1509.

(b) and (c). A scheme for organising co-operatives for rickshaw-pullers has been prepared by the Ministry of Community Development and Co-operation and circulated to all State Governments/Union Territories. However, there seems to be no possibility of substantial change in the near future.

### Buildings of Indian Missions Abroad

**2530. Shri Madhusudan Rao:** Will the **Prime Minister** be pleased to state:

(a) the names of countries where Indian Embassy/Mission Buildings have been constructed;

(b) the cost of the buildings in each capital; and

(c) the names of the countries where such buildings will be constructed in the near future?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru)**: (a) to (c). A statement is laid on the Table of the House. [*See* Appendix III, annexure No. 57].

### Unemployed in Andhra Pradesh

**2531. Shri Madhusudan Rao:** Will the Minister of **Labour and Employment** be pleased to state:

(a) the number of persons registered in Employment Exchanges in Andhra Pradesh during 1960-61;

(b) the number of unemployed post-graduates, graduates, intermediate and High School passed students respectively; and

(c) the number of persons provided employment in each category during the same period?

**The Deputy Minister of Labour (Shri Abid Ali)**: (a) 12,44,041.

(b) and (c). Separate figures for post-graduates are not available.

| Category | Number registered during 1960-61 | Number placed in employment during 1960-61 |
|---|---|---|
| Graduates including Post-Graduates . | 6,542 | 1,917 |
| Intermediates . | 7,526 | 1,323 |
| Matriculates . . | 34,450 | 6,956 |
| TOTAL . | 53,518 | 10,196 |

### Workers' Education Centres in Andhra Pradesh

**2532. Shri Madhusudan Rao:** Will the Minister of **Labour and Employment** be pleased to state:

(a) whether there is any proposal to increase the number of workers' education centres in Andhra Pradesh during the year 1961-62; and

(b) if so, the details thereof?

**The Deputy Minister of Labour (Shri Abid Ali)**: (a) If the hon. Member has in mind the Regional Workers' Education Centres, the answer is in the negative.

(b) Does not arise.

### Industrial Estates in Andhra Pradesh

**2533. { Shri Madhusudan Rao:**
**Shri M. V. Krishna Rao:**

Will the Minister of **Commerce and Industry** be pleased to state:

(a) the number of Industrial Estates so far started in Andhra Pradesh; and

(b) the number of such Estates to be established during the Third Five Year Plan period?

**The Minister of Industry (Shri Manubhai Shah)**: (a) Five Industrial Estates at Sanatnagar, Vijayawada, Samalkot, Visakhapatham and Nandyal have started functioning in Andhra Pradesh. In addition to the above, the State Government have established Industrial Estates at Warrangal and Cuddapah of which the former was completed during the 2nd Plan period and the latter is under construction and is nearing completion. Another industrial estate at Chandulal Baradari was sanctioned in the last quarter of the Second Plan period.

(b) During the Third Five Year Plan period, it is proposed to expand the industrial estates at Visakhapatham, Vijayawada, Warrangal and Sanatnagar and establish 21 new industrial estates in Andhra Pradesh.

### Watch Factory in Himachal Pradesh

**2534. Shri Madhusudan Rao**: Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether there is any proposal to start a watch factory in Himachal Pradesh in the near future in the private sector;

(b) the total cost of the project and estimated production of watches per year; and

(c) the time by which the production will start?

**The Minister of Industry (Shri Manubhai Shah)**: (a) Yes, Sir.

(b) Information about total cost of the project is not available. However, the cost of plant and machinery will be Rs. 3 lakhs approximately. Capacity approved is 12,000 watches per year initially.

(c) Sometime in 1962.

### Outlay for Punjab for 1961-62

**2535. Shri D. C. Sharma**: Will the Minister of **Planning** be pleased to state:

(a) whether the outlay for the various States for 1961-62 has been decided;

(b) if so, how much for the State of Punjab; and

(c) whether a statement will be laid showing the amount and allotment made under different heads?

**The Deputy Minister of Planning (Shri S. N. Mishra)**: (a) All the State Governments have reported outlay for 1961-62.

(b) and (c). A statement showing the outlay for 1961-62 as reported by the Punjab Government is laid on the Table of the House. [*See* Appendix III, annexure No. 58].

### Khadi and Village Industries Commission

**2536. Shri D. C. Sharma**: Will the Minister of **Commerce and Industry** be pleased to state:

(a) how may institutions have been certified by the certifying Committee of the Khadi and Village Industries Commission in Punjab since the inception of the Committee;

(b) how many were certified during the year 1960 in Punjab;

(c) how many certified institutions had their certificates cancelled in 1960 in Punjab;

(d) the names of such institutions with locations and reasons for cancellation of certificates; and

(e) whether the price of Khadi is on the increase due to heavy establishment costs, despite ample subsidies?

**The Minister of Industry (Shri Manubhai Shah)**: (a) Eleven institutions for production and sale of Khadi have been certified by the Certification Committee of the Khadi and Village Industries Commission in Punjab since its inception.

(b) Only one institution was certified during the year 1960 in Punjab.

(c) Certificates of 2 institutions were cancelled in Punjab during the year 1960.

(d) The names of the institutions with location whose certificates were cancelled during the year 1960 and the reasons therefor are as below:—

| Names and Location of the Institution | Reasons for Cancellation |
|---|---|
| (1) Kasturba Seva Sadan, New Township, Faridabad, District, Gurgaon. | The Institution closed its Khadi activities of its own accord. |
| (2) Government Cotton Spinning & Weaving Centre, Jullundur. | The Institution handed over its activities to the Punjab Spinning Weaving Centre, Jullundur City, which is a certified Institution. |

(e) No, Sir.

### C.P.W.D. Officials

**2537. Shri D. C. Sharma: Will the Minister of Works, Housing and Supply be pleased to state:**

**(a) the number of C.P.W.D. officials apprehended for corruption during the year 1961 so far;**

**(b) the action taken against them,**

**(c) the number of private individuals arrested in this connection; and**

**(d) the action taken against them?**

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda)**: (a) No official of the C.P.W.D. has been arrested for corruption during the year 1961 so far.

(b) Does not arise.

(c) Nil.

(d) Does not arise.

### Films on Industrial Subjects

**2538. Shri D. C. Sharma**: Will the Minister of **Information and Broadcasting** be pleased to state:

(a) whether any attempts are being made for production of instructional films dealing with industrial subjects; and

(b) if so, the result thereof?

**The Minister of Information and Broadcasting (Dr. Keskar)**: (a) and (b). The Films Division produces films on such subjects as are sponsored by the Ministries/Departments, etc., administratively concerned with them. The following instructional films dealing with industrial subjects have already been produced or are under production by the Films Division:—

(i) *Films already produced*

(1) Ambarcharkha.

(2) Safety in Electricity.

(3) Economy in Fuel Consumption.

(4) Bricklaying.

(5) Railway Track-Laying and its Maintenance.

(ii) *Films under production*

(6) Mining Methods.

(7) Mechanised Concreting.

(8) Construction of Bridges.

(9) Yard Accidents and how to prevent them.

### Documentaries in Punjabi Language

**2539. Shri D. C. Sharma: Will the Minister of Information and Broadcasting be pleased to state the total number of documentaries produced by**

his Ministry in Punjabi language during 1960-61?

**The Minister of Information and Broadcasting (Dr. Keskar):** Ninety-three documentaries were dubbed in Punjabi language.

### Educated Unemployed in Delhi

**2540. Shri D. C. Sharma:** Will the Minister of **Labour and Employment** be pleased to state:

(a) the comparative figures of the registered unemployed during the second quarter of 1961 in Delhi; and

(b) the number of unemplyed graduates, intermediates and matriculates registered during the same period?

**The Deputy Minister of Labour (Shri Abid Ali):** (a) No. of persons on the Live Register of Employment Exchanges in Delhi as at the end of each month during second quarter of 1961:

| | |
|---|---|
| April, 1961 | 58,410 |
| May, 1961 | 59,051 |
| June, 1961 | 60,752 |

(b) Number registered during April-June, 1961:—

| | |
|---|---|
| Graduates | 2,214 |
| Intermediates | 954 |
| Matriculates | 6,858 |

### Review of English Books by All India Radio

**2541. Shri D. C. Sharma:** Will the Minister of **Information and Broadcasting** be pleased to state:

(a) how many English books were reviewed by A.I.R. in 1961 so far; and

(b) how many of these books were by Indian authors and how many by foreign authors?

**The Minister of Information and Broadcasting (Dr. Keskar):** (a) During the period January to June, 1961, 103 English books were reviewed from All India Radio.

(b) Of these 69 books were by English authors and 34 by Indian authors.

### Import of Raw Cashew Nuts

2542. **Shri A. K. Gopalan:**
**Shri Warior:**

Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether the attention of Government has been drawn to the resolution adopted by Cashew Factory Owners Association of Kerala requesting Government to take steps to stop the import of raw cashew nuts;

(b) if so, the reaction of Government thereto; and

(c) how it will affect the working of the factories to their full capacity?

**The Minister of Industry (Shri Manubhai Shah):** (a) to (c). The resolution to which the Hon'ble Member has referred has not been received by Government. However, a decision has been taken not to import raw Cashew Nuts, for the time being, in view of heavy stocks in the country.

### Increments to Officers in Pondicherry

2543. **Shri Ram Krishan Gupta:**
**Shri Chuni Lal:**
**Shri Agadi:**
**Shri Sugandhi:**
**Shri Wodeyar:**

Will the **Prime Minister** be pleased to refer to the reply given to Unstarred Question No. 4698 on the 5th May, 1961 and state:

(a) whether Government have since considered the question of giving increment to officers in Pondicherry; and

(b) if so, the result thereof?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** (a). Yes Sir.

(b) Government have sanctioned with effect from 1st June, 1960 an *ad hoc* compensatory allowance to permanent ex-French staff serving in

Pondicherry Administration on pre-merger scales of pay, namely, (i) Rs. 35 per month to those drawing Rs. 301 or above; (ii) Rs. 25 to those drawing Rs. 151 to Rs. 300 and (iii) Rs. 15 to those drawing Rs. 150 or below.

### Manufacture of Rubber Tyres

2544. { **Shri Ram Krishan Gupta:**
**Shri Chuni Lal:**

Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether the scheme for setting up five factories for manufacture of rubber tyres has since been finalised; and

(b) if so, the details thereof?

**The Minister of Industry (Shri Manubhai Shah).** (a) and (b). It is not known as to which five schemes the Honourable Member is referring to. The following three schemes have been recently approved.

| Name of the firm | Location | Capacity |
|---|---|---|
| 1. M/s. P. John Zacharia & Co (P) Ltd., Kottayam (Kerala State). | Tehsil Kottayam District Kottayam Kerala State. | Automobile tyres & tubes-3 lakhs Nos. per annum. |
| 2. M/s. Goodyear India Ltd., Calcutta. | Ballabgarh, District Gurgaon Punjab. | Do. |
| 3. Universal tyres, Calcutta. | Allhabad (U.P.) | Do. |

### Industrial Development Plans for Punjab

2545. { **Shri Ram Krishan Gupta:**
**Shri Chuni Lal:**

Will the Minister of **Planning** be pleased to refer to the reply given to Starred Question No. 683 on the 8th March, 1961 and state:

(a) whether Government have received final industrial development plans for Third Five Year Plan from the Punjab Government; and

(b) if so, the details thereof?

**The Deputy Minister of Planning (Shri S. N. Mishra):** (a) and (b). Final proposals from the State Government are still awaited.

### Compilation of Industrial Data

2546. { **Shri Ram Krishan Gupta:**
**Shri Chuni Lal:**

Will the Minister of **Commerce and Industry** be pleased to state at what stage is the proposal to establish a full-fledged Statistical Section in the Development Wing to deal with the compilation and analysing of industrial data?

**The Minister of Commerce (Shri Kanungo):** All the requisite statistical machinery required by the statistical section are not yet available. The full complement is expected by November|December next. Apart from the staff now in position, the question of additional staff for new machinery is also under consideration.

### State Trading Corporation

2547. { **Shri Ram Krishan Gupta:**
**Shri Chuni Lal:**

Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether Government have considered the possibility of entrusting the task of expanding exports to the State Trading Corporation; and

(b) if so, with what result?

**The Minister of Commerce (Shri Kanungo):** (a) The State Trading Corporation is one of the agencies already entrusted with the task of promoting exports.

(b) Exports by the State Trading Corporation amounted to Rs. 20.99 crores in 1957-58, Rs. 23.37 crores in 1958-59, Rs. 24.47 crores in 1959-60 and 36.53 crores in 1960-61.

### Ill-Treatment of Indian Youths in U.K.

2548. **Shri Indrajit Gupta:** Will the **Prime Minister** be pleased to state:

(a) whether Government's attention has been drawn to the reported complaints of Shri G. C. Dass, a resident of London, regarding alleged ill-treatment by several India House officials of Indian youths in their domestic service;

(b) whether such complaints have been received by the Indian High Commissioner in U.K.; and

(c) if so, Government's reactions in the matter?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru)**: (a) and (b). Mr. G. C. Dass, a U.K. citizen, has been interesting himself in this question and has sent a number of complaints, unfortunately couched in offensive language, to the Indian High Commission in London.

(c) Enquiries have been made into each specific case received from Mr. Dass but have been found to be without substance.

The difficulty is that some of the Indian servants taken by Indian officials to the U.K. try to settle down there permanently. Present rules do not enable us to prevent this. Government have, however, taken steps to ensure that Indian domestic servants get a proper wage and fair treatment from their employers, who have to give a written undertaking to this effect to the Controller General of Emigration before being allowed to take such servants abroad.

### Slum Clearance Acts

**2549. Shri Indrajit Gupta**: Will the Minister of Works, Housing and Supply be pleased to state:

(a) how many States have passed Slum Clum Clearance or Improvement Acts;

(b) whether these Acts have led to speedy acquisition of land at reasonable rates;

(c) whether the rate of Central subsidy for State projects will be enhanced; and

(d) whether the West Bengal Government has applied for subsidy for Slum clum clearance and housing projects in Calcutta?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda)**: (a) In addition to the Slum Areas (Improvement and Clearance) Act, 1956 which is applicable to the Union Territories of Delhi and Tripura, the following States have so far enacted legislations relating to Slum Clearance or Improvement:

| | |
|---|---|
| (i) Assam . . | The Assam Slum Areas (Improvement and Clearance) Act, 1959. |
| (ii) Madhya Pradesh | The Madhya Pradesh Slum Improvement (Acquisition of Land) Act, 1956. |
| (iii) Madras . | The Madras Slum Improvement (Acquisition of Land) Act, 1954. |
| (iv) Mysore . | Mysore Slum Area (Improvement and Clearance) Act 1958. |
| (v) Punjab | The Punjab Slum Area (Improvement and Clearance) Act, 1960. |
| (vi) West Bengal . | The Calcutta Slum Clearance and Rehabilitation of Slum Dwellers Act 1958. |

(b) None of the State Governments have so far acquired land under their Slum Clearance/Improvement Acts, although land acquisition proceedings have been initiated in a few States.

(c) In July, 1959, the rate of Central subsidy admissible under the slum Clearance Scheme, was enhanced from 25 per cent to 37½ per cent of the approved cost of the Slum clearance projects undertaken in the six cities of Ahmedabad, Bombay, Calcutta, Delhi, Kanpur and Madras. In July, 1961 the State Governments were allowed at their discretion to permit the benefit of the enhanced subsidy in other towns and cities (preferably with a population of one lac and over) where special justification exists for lowering the subsidised rents.

A further Central subsidy of 12½ per cent is admissible under the Schemes for the amelioration of the living conditions of Scheduled castes and Scheduled Tribes, and for the welfare of Backward Class in respect of slum clearance projects involving rehousing of sweepers and scavengers.

(d) A sum of Rs. 31·43 lakhs as subsidy (in addition to Rs. 42·22 lakhs as loan) was released to the Government of West Bengal for implementation of the Slum Clearance Scheme during the Second Plan period. The allocation of the States for the year 1961-62 has not yet been finalised.

### Soil Erosion

2550. **Shri Khimji:** Will the **Prime Minister** be pleased to state:

(a) whether it is fact that the Union Government have appointed Dr. Linoid Rodin, a Russian Expert, to axamine and report on the different schemes formulated by the Government of India for the preservation and improvement of soil and prevention of soil erosion as also reclamation of Little Runn of Kutch; and

(b) if so, whether Dr. Linoid Rodin has submitted his report to Government and if so, what are the recommendations?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** (a) and (b). The Union Government did not make any such appointment. Dr. Linoid Rodin was invited by the Indian Statistical Institute, Calcutta, for consultation on problems of regionalisation in India particularly in arid and semi-arid regions. It is understood that he has submitted a report to the Institute.

### Industrial Development of Kerala

2551. **Shri Kunhan:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether any proposal has been received from the Government of Kerala for the establishment of major Industrial Plants in that State during the Third Five Year Plan; and

(b) if so, the details thereof?

**The Minister of Industry (Shri Manubhai Shah):** (a) and (b). The Kerala State Government, like all other State Governments, have been representing that some heavy industrial public sector undertaking|undertakings should be located in Kerala by the Central Government during the Third Five Year Plan. This question is under consideration of the Central Government.

### सरदार वल्लभ भाई पटेल की जीवन-गाथा

२५५२. **श्री भक्त दर्शन :** क्या सूचना और प्रसारण मंत्री ४ मार्च १९६१ के अतारांकित प्रश्न संख्या ९१५ के उत्तर के संबंध में यह बताने की कृपा करेंगे कि सरदार वल्लभ भाई पटेल की जीवन-गाथा प्रकाशित करने के कार्य में इस बीच क्या प्रगति हुई है और देर से देर कब तक इस पुस्तक के प्रकाशित हो जाने की आशा है ?

**सूचना और प्रसारण मंत्री (डा० केसकर) :** सरदार पटेल की जीवनी की पांडुलिपि तैयार करने का काम एक योग्य लेखक को सौंप दिया गया है। इस बात का प्रयत्न किया जायगा कि पुस्तक को जितनी जल्दी हो सके प्रकाशित किया जाये। परन्तु पुस्तक प्रकाशित करने की किसी निश्चित तिथि का बताना इस समय कठिन है।

### Hospital at Kanpur under Employees' State Insurance Scheme

2553. **Shri S. M. Banerjee:**
**Shri Tangamani:**

Will the Minister of Labour and Employment be pleased to state:

(a) whether the Employees' State Insurance Corporation Hospital at Kanpur has been completed;

(b) if so, its capacity;

(c) whether families of the workers are also to be admitted in this Hospital; and

(d) whether any special arrangement has been made for the T.B. patients?

**The Deputy Minister of Planning and Labour and Employment (Shri L. N. Mishra)**: (a) Construction is nearing completion.

(b) 112 beds and this will be raised to 300 ultimately.

(c) Families of insured persons are not, at present, entitled to hospital care under the Employees' State Insurance Scheme.

(d) A separate T. B. Hospital is proposed to be constructed at Kanpur. Insured persons suffering from T.B. are treated at present in the Lala Lajpat Rai Hospital and Government Labour T. B. Clinic, Kanpur.

### Jawahar Nagar and Patel Nagar Busties in Punjab

**2554. Shri Ajit Singh Sarhadi**: Will the Minister of **Rehabilitation and Minority Affairs** be pleased to state:

(a) whether it is a fact that houses of 8000 displaced persons in Jawahar Nagar and Patel Nagar Busties (previously known as Jamu and Sukher Busties) near Abhor (Punjab) are being reallotted when these people have spent huge amounts for the maintenance of their houses;

(b) if so, the reasons therefor; and

(c) whether it is also a fact that there is considerable resentment among these people?

**The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna)**: (a) and (b). During general allotment of houses in Basties Jamu and Sukher in 1951, some persons obtained wrongful allotments. On representations made by the land allottees of those villages, the authorised Chief Settlement Commissioner, Punjab passed a judicial order on 10th May, 1958 directing reallotment of the houses according to the rules in force. The salient features of that order are given in the statement which is placed on the Table of the House. [*See* Appendix III, annexure No. 59]. This order was also upheld by the Punjab High Court in a writ petition. The total number of houses involved in reallotment is 162.

(c) Not to our knowledge.

### Market for Indian Films

**2555.** { **Shri Subodh Hansda**:
**Shri Nek Ram Negi**:

Will the Minister of **Information and Broadcasting** be pleased to state:

(a) whether the five men delegation team to study the market for Indian films has completed its tour;

(b) if so, the countries visited by the team;

(c) whether they have submitted any report of their tour; and

(d) if so, in which countries the demand for Indian films is heavy?

**The Minister of Information and Broadcasting (Dr. Keskar)**: (a) No delegation has so far been deputed to study the markets for Indian films abroad.

(b) to (d). Do not arise.

### Cable Manufacturing Factory in Madras

**2556. Shri Narayanankutty Menon**: Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether any licence has been granted for a cable manufacturing factory to be located in Madras;

(b) if so, whether necessary foreign exchange has been sanctioned; and

(c) what is the total foreign exchange involved and from which country?

**The Minister of Industry (Shri Manubhai Shah)**: (a) Licences under the Industries (Development and Regulation) Act, 1951 have been granted to the following firms for the establishment of new industrial undertakings in Madras for the manufacture of cables and wires:—

(i) Madras Cables Ltd.

(ii) Southern Cable Corporation Ltd.

(iii) Omega Insulated Cable Co. (India) Ltd.

(iv) South India Cable Co. Ltd.

(b) The proposals for the import of capital equipment have not yet been finalised.

(c) Does not arise.

### Low Income Group Housing Scheme

**2557. Shri Damani**: Will the Minister of **Works, Housing and Supply** be pleased to state the progress made in the implementation of the schemes under Low Income Group Housing Scheme in the country during the Second Five Year Plan?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda)**: A statement showing the progress made in each State|Union Territory under the Low Income Group Housing Scheme during the Second Five Year Plan is laid on the Table of the House. [*See* Appendix III, annexure No. 60].

### Portable Nuclear Power Plant

**2558. Shrimati Ila Palchoudhuri**: Will the **Prime Minister** be pleased to state:

(a) whether the attention of the Government of India has been drawn to a news item appearing in the Indian Express dated the 8th May, 1961 about a portable nuclear power plant—claimed to be the first of its type in the world—having been constructed and brought into operation at the National Reactor Testing Station near Idaho Falls, Idaho;

(b) whether any efforts have been made to get full details about this plant; and

(c) if so, with what results?

**The Prime Minister and Minister of External Affairs (Shri Jawharlal Nehru)**: (a) to (c). Yes. The Government have seen the press report in question. The Reactor utilizes a closed cycle gas coolant system wherein heated gas is used directly to drive the turbine. This is strictly an experimental reactor, the attractive features of which are relatively light weight and ease of operation. The efficiency of this system would be expected at this stage to be relatively low.

### Light Weight Truck

**2559. Shrimati Ila Palchoudhuri**: Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether the attention of the Government of India has been drawn to news-item appearing in the Indian Express dated the 8th May, 1961 about the invention and development of a light-weight truck, by a U.K. firm, which walks up and down stairs specially built to ease delivery up steps and staircases, of such loads as safes, refrigerators and other heavy articles;

(b) whether any enquiries have been made about the details of this type of truck; and

(c) if so, with what result?

**The Minister of Industry (Shri Manubhai Shah)**: (a) to (c). Government have seen the news-item referred to by the Honourable Member, but have not yet made any enquiries about the trucks described therein.

### Stamped Prices on Textile Goods

**2560. Shri Balraj Madhok**: Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether it is a fact that the margin of profit shown in the stamped prices on the textile goods is mainly taken away by the middle men, leaving little share for the retailers; and

(b) what steps Government propose to take to prevent the consequent

**sale of textile goods at much above the stamped prices?**

**The Minister of Commerce (Shri Kanungo)**: (a) No, Sir. The margin to the trade which has been increased from 15 per cent to 18 per cent of the ex-mill prices, provides for a reasonable profit to the retail dealers.

(b) No special steps are proposed to be taken as textile goods are available to the consumers, by and large, at the stamped prices.

### दिल्ली में एलाट किये गये मकानों का नीलाम

**२५६१. श्री बलराज मधोक :** क्या **पुनर्वास तथा अल्पसंख्यक कार्य** मंत्री यह बताने की कृपा करेंगे कि

(क) क्या यह सच है कि दिल्ली में लाजपत नगर तथा अन्य स्थानों पर कुछ शरणार्थियों को एलाट किये गये मकान उन के द्वारा आखिरी तारीख निकलने से पहले पहली किश्त जमा किये जाने के बाद भी नीलाम कर दिये गये हैं; और

(ख) यदि हां, तो क्या सरकार यह गलती दुरुस्त करेगी ?

**पुनर्वास तथा अल्पसंख्यक कार्य मंत्री (श्री मेहर चन्द खन्ना)** : (क) और (ख). एक विवरण सभा की मेज पर रख दिया गया है । **[देखिये परिशिष्ट ३, अनुबन्ध संख्या ६१]**

### Fans for 'H' Type Quarters

**2562.** **Shri Balraj Madhok:**
**Shri Ram Garib:**
**Shri M. L. Dwivedy:**
**Shri Dasaratha Deb:**
**Shri Balkrishna Wasnik:**
**Shri Prabhat Kar:**
**Shri Aurobindo Ghosal:**

**Will the Minister of Works, Housing and Supply be pleased to refer to** the reply given to Unstarred Question No. 4318 on the 2nd May, 1961 and state:

(a) whether the question of provision of ceiling fans in 'H' type quarters will be reconsidered in view of the increasd extremity of summer weather in the capital and the exorbitant and still rising prices of fans; and

(b) whether it is a fact that the rate of rent for all Central Government employees in the salary scale of upto Rs. 150 is 7 1|2 per cent and therefore the rate of rent for 'H' type and 'G' type quarters is the same, and if so, why should there be any disparity in the provision of amenities between these two types of quarters?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda)**: (a) The proposal to provide ceiling fans in the quarters meant for class IV staff will be reconsidered, funds permitting, when the immediate shortage of residential accommodation is met.

(b) Rents are recovered from Government employees drawing salaries upto Rs. 149 at 7 1|2 per cent of the salary or standard rent under F.R. 45-A, whichever is less. The actual rent payable by an employee depends on his salary. Thus the actual rent recovered from allottees of 'G' type quarters is more than what is paid by allottees of 'H' type quarters. Moreover, quarters meant for class IV staff are not allotted to employees in the higher-income group whereas 'G' type quarters may sometimes be allotted to employees in the pay scale of Rs. 150—249. In that case, rent is recovered at 10 per cent of the pay of the allottee. Thus, any comparison between the rents recovered for 'G' and 'H' type quarters and consequently, between the amenities available in quarters of these types will not be correct.

### Managing Agents

**2563. Shrimati Renu Chakravartty:** Will the Minister of **Commerce and Industry** be pleased to refer to the reply given to Unstarred Question No. 2317 on the 7th September, 1960 and state:

(a) how many cases of companies with special features were permitted to deviate from the general Government policy with regard to reappointment and|or remuneration payable to managing agents in the period after April 1, 1956; and

(b) the reasons for granting these exceptional cases?

**The Minister of Commerce (Shri Kanungo):** (a) and (b). In 47 cases deviations were made from the general principles formulated by Government in regard to the terms of appointment or reappointment of managing agents under section 326 of the Companies Act, 1956. The deviations in the individual cases were approved, on the advice of the Company Law Advisory Commission, in accordance with the guiding principles adopted by government, which have already been reproduced in extension para 82 of the Fourth Annual Report on the working and administration of the Companies Act, 1956 relating to the year ended 31st March, 1960 which was laid on the Table of the House on 6th March, 1961.

### Coopers' Camp, Ranaghat

**2564. Shrimati Renu Chakravartty:** Will the Minister of **Rehabilitation and Minority Affairs** be pleased to state:

(a) why the promise to turn Coopers' Camp, Ranaghat into a township was abandoned by the Central Ministry;

(b) what reasons have led to establishing a township near Chandarnagore; and

(c) what has happened to the plan enunciated by the Ministry to turn several camps where there was large concentration of refugees into townships?

**The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna):** (a) If the reference is to the Ministry of Rehabilitation, no such promise appears to have been given. The Government of West Bengal, however, have under consideration a proposal to set up a small urban colony near the Coopers' Camp, for which land has been acquired and detailed plans and estimates are being worked out. It is reported that nearly 500 families of small traders in Coopers' Camp have already been settled in this colony as part of the programme.

(b) There is no proposal to set up a new township near Chandarnagore.

(c) The question of setting up townships in the localities where there are large camps is no longer of any practical importance, since the agriculturist families are being rehabilitated in Dandakaranya, U.P., Andamans etc. and non-agriculturist families are being rehabilitated under the Bainanama and other schemes.

### Manufacture of Surgical Cotton

**2565. Shri Aurobindo Ghosal:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether surgical cotton is manufactured in India; and

(b) if so, where and what is the quantity?

**The Minister of Commerce (Shri Kanungo):** (a) Yes, Sir.

(b) It is estimated that 15,000 bales of cotton (each bale weighing 400 lbs.) are consumed in the manufacture of absorbent cottons. Precise figures of surgical cotton produced are not available.

### Electric Meter Factory

**2566. Shri Aurobindo Ghosal:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether one electric meter factory has been set-up with Polish equipment in India; and

(b) if so, where and whether in the private or public sector?

**The Minister of Industry (Shri Manubhai Shah)**: (a) and (b). M/s. Electric-equipment Corporation Private Ltd., Bombay (previously known as Khemka & Co., (Agencies) Private Ltd.,) have been granted a licence under the Industries Act in the private sector for the establishment of a new industrial undertaking at Bombay for the manufacture of 60,000 nos. House Service meters per anuum in collaboration with M/s. Cekop of Poland. The firm is expected to go into production towards the end of this year.

### Aluminium Project for Mysore

2567. **Shri B. Das Gupta:**
**Shri Aurobindo Ghosal:**
**Shri N. M. Deb:**

Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether any aluminium project has been fixed for Mysore; and

(b) if so, whether it is with foreign collaboration; and whether it is in public or in private sector?

**The Minister of Industry (Shri Manubhai Shah)**: (a) and (b). An application for a licence under the Industries (D&R) Act, 1951, for the establishment of an aluminium smelter in Mysore State, with the collaboration of M/s. Reynolds of U.S.A., has been received from a private party and is under consideration.

### Aid to Foreign Countries

2568. **Shri Damani**: Will the **Prime Minister** be pleased to state:

(a) the commitments Government have made to grant aid to the neighbouring countries during the year 1961; and

(b) what commitments are still outstanding?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru)**: (a) and (b). The information required is as follows:—

NEPAL.—During India's Third Five Year Plan the Government of India have committed themselves to assisting Nepal to the extent of Rs. 18 crores out of which a budgetary provision of Rs. 3.22 crores has been made during the financial year 1961-62. A sum of Rs. 14.78 crores will be the outstanding commitment.

SIKKIM.—The Government of India have agreed to meet the cost of the development work in Sikkim under Sikkim's Second Development Plan. The total outlay envisaged under the Plan is Rs. 8.13 crores over five years (1961 66). The expenditure during 1961-62 is estimated to be Rs. 101.5 lakhs.

BHUTAN.—The Government of India have agreed to meet the cost of Bhutan's Five Year Plan (1961-66). The total outlay envisaged is Rs. 17.5 crores out of which about Rs. 2 crores may be required during 1961-62.

BURMA & CEYLON.—A budget provision of Rs. 5 lakhs has been made during the current financial year for training facilities to be provided to candidates from various Colombo Plan countries, including Burma and Ceylon.

### Development of Towns

2569. **Shri Dasaratha Deb**: Will the Minister of **Planning** be pleased to state:

(a) whether Government have schemes for the Development of the towns of Khowai, Kamalpur, Kaila Sharh, Dharmanagar, Sonamura, Amarpur, Belonia, Udaipur and Subroom in the Union Territory of Tripura;

(b) if so, outline of the schemes drawn up; and

(c) whether town area committees will be elected to look after development of these towns?

**The Deputy Minister of Planning (Shri S. N. Mishra):** (a) to (c). A statement will be laid on the Table of the House as soon as the information is furnished by the Tripura Administration.

### Pilgrimage to Kailash and Mansarovar

2570. **Shri Ajit Singh Sarhadi:** Will the **Prime Minister** be pleased to state:

(a) how many pilgrims parties left for the pilgrimage of Kailash and Mansarovar after the recent Chinese announcement that they could not guarantee protection and safe escort; and

(b) measures taken for their protection and safe return?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** (a) Upto July 31, 1961, 74 pilgrims are reported to have left India for Kailash and Manasarovar. This year, while agreeing to allow Indian pilgrims to go to Kailash and Manasarovar, the Chinese authorities in Tibet had asked that pilgrims should pay more heed to their safety on account of some rebel activity in Ari District, and also that pilgrims should enter and leave Western Tibet *via* Lipulekh Pass only.

(b) In the notes exchanged between the two Governments in 1954, the Government of the People's Republic of China has undertaken to protect the person and property of Indian pilgrims on Chinese territory. It is presumed that that Government has taken necessary measures in this behalf?

### Supply of Worsted Yarn to Kashmir

2571. **Shri Ajit Singh Sarhadi:** Will the **Minister of Commerce and Industry** be pleased to state:

(a) whether it is a fact that shawl industry of Kashmir is severely suffering due to shortage in supply of worsted yarn made from Australian wool-tops as substitute for Pashmine;

(b) whether any steps are being taken to supply Pashmine for Ladakh and Tibetan regions; and

(c) what steps are being taken to increase the supply of worsted yarn?

**The Minister of Commerce (Shri Kanungo):** (a) Government are aware that the sector of the woollen industry which depends on worsted weaving yarn spun from imported wool tops affected to some extent by a shortage of yarn, resulting from restrictions on imports of wool tops due to foreign exchange difficulties. The shawl industry is also likely to be affected to this extent. Kashmir shawl weavers however get a large part of their yarn requirements from the mill in that State and from Punjab also.

(b) Some quantities of shawls are also being manufactured from pashmina which is locally available. Pashmina imports from Tibet and Ladakh have no doubt been less.

(c) The woollen industry is being encouraged to use Indian wool in increasing proportions in the manufacture of worsted yarns. This is likely to improve the supply position of such yarns.

### Industries in Himachal Pradesh

2572. { **Shri Bahadur Singh:**
**Shri Nek Ram Negi:**

Will the **Minister of Commerce and Industry** be pleased to state:

(a) whether any scheme has been prepared to establish small and big industries for which raw material is available locally in Himachal Pradesh;

(b) the amount earmarked for this purpose separately for village industries and big industries; and

(c) whether some loan will also be given to the people for this purpose?

**The Minister of Industry (Shri Manubhai Shah)**: (a) Yes, Sir.

(b) Rs. 18.05 lakhs and Rs. 20 lakhs have been earmarked for the cottage and small industries sector and the big industries sector respectively.

(c) Yes, Sir.

### Compulsory Provident Fund

**2573. Shri P. C. Borooah**: Will the Minister of **Labour and Employment** be pleased to state:

(a) whether the Government of India have extended the benefits of compulsory Provident Fund under the Employees Provident Funds Act to more industries, during the last three months;

(b) if so, to which industries; and

(c) how many more employees are covered by this scheme?

**The Deputy Minister of Labour (Shri Abid Ali)**: (a) Yes.

(b) The Act was extended to the following industries/class of establishments during the period May, 1961 to July, 1961 from the dates shown against each:—

| | |
|---|---|
| 1. Starch industry | (from 31-5-1961) |
| 2. Hotels . . . | (from 30-6-1961) |
| 3. Restaurants . . | ,, |
| 4. Establishments engaged in the storage or transport or distrubution of petroleum or natural gas or products of either petroleum or natural gas . . . . . | ,, |
| 5. Petroleum or natural gas exploration, prospecting, drilling or production. | ,, |
| 6. Petroleum or natural gas refining. . . . . | ,, |
| 7 Cinemas including preview theatres. . . . . | (from 31-7-1961 |
| 8. Film studios . . . | ,, |
| 9. Film production concerns. | ,, |
| 10. Distribution concerns. . dealing with exposed films. | ,, |
| 11. Film-processing laboratoties | ,, |

(c) It is estimated that over 1 lakh more employees would be covered as a result of extension of the Act to these industries/class of establishments.

### Import of Goods from East German Democratic Republic

**2574.** { **Shr P. C. Borooah:**
**Shri D. C. Sharma:**

Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether negotiations had been going on between the Governments of India and the East German Democratic Republic for the import of certain goods including textile machinery against rupee payment from that country;

(b) if so, whether an agreement has since been reached in the matter; and

(c) what are the terms of the agreement?

**The Minister of Commerce (Shri Kanungo)**: (a) and (b). A trade arrangement was concluded between the Government of India and the Government of German Democratic Republic in December, 1959, under which certain goods including Textile Machinery are being imported from that country against Rupee Payment.

(c) A copy of the arrangement is laid on the Table of the House. [*Placed in Library. See* No. LT-3167/61]

### Exhibition of Indian Goods in Kuala Lumpur and Singapore

**2575. Shri P. C. Borooah**: Will the Minister of **Commerce and Industry** be pleased to refer to the reply given to Unstarred Question No. 2505 on the 29th March, 1961 and state:

(a) whether exhibitions of Indian manufactured goods were held in Kuala Lumpur and Singapore;

(b) if so, whether the exhibitions evoked favourable and encouraging response from private traders and Malayan Government;

(c) if so, to what extent; and

(d) what type of products attracted much enquiry?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra):** (a) Yes, Sir.

(b) and (c). Over 150 trade enquiries were received. Some agencies were negotiated and a few more are under negotiation. The Government of Malaya, impressed with the goods on display is contemplating to send a purchasing Delegation to India about the end of the year.

(d) Machine tools and other engineering goods, crockery and glassware, linoleums, canned and processed foods, pharmaceuticals and chemicals, textiles, handicrafts, footwear, etc.

### Osler Electric Lamp Company

**2576. Shri S. M. Banerjee:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether Osler Electric Lamp Company, Bombay owned by Mr. H. D. Mundra was liquidated;

(b) if so, what was the value of this;

(c) whether this was sold to Philips and Company at Rs. 2 lakhs;

(d) if so, who were the bidders; and

(e) whether this was the highest bid offered?

**The Minister of Commerce (Shri Kanungo):** (a) Yes, Sir. Shri H. D. Mundra was one of the directors of the company and not the owner thereof.

(b) According to the latest available balance sheet of the Company, as on 31st July 1955, the value of the assets of the Company amounted to Rs. 1,12,95,028 and the value (after deduction of depreciation) of fixed assets (including land and buildings) was Rs. 40,26,700. As the books of account of the Company upto the date of the winding up order have not yet come into the possession of the Official Liquidator, the total value of the realisable assets of the Company at the time of winding up order could not be ascertained.

(c) No, Sir. The properties of the Company at Bombay, inclusive of the machinery, goodwill and stores, were sold by the Court to Messrs. Philips (India) Ltd., at a price of Rs. 51,00,123.

(d) Does not arise.

(e) The bid offered by Messrs. Philips (India) Limited was the highest at the time of the sale by the Court. A higher bid was offered by Shri H. D. Mundra, through the Punjab Commercial Company Limited, after the sale had been concluded by the Court. The said bid was not accepted by the Court.

### Mundhra Concerns at Kanpur

**2577. Shri S. M. Banerjee:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether Kakomi, one of the Mundhra concerns at Kanpur, was liquidated and sold at Rs. 2 lakhs;

(b) whether some businessman offered a sum of Rs. 25 lakhs; and

(c) the reasons as to why Government did not take over this concern?

**The Minister of Commerce (Shri Kanungo):** The Hon'ble Member presumably refers to the Cawnpore Cotton Mills a branch in which the British India Corporation Ltd., Kanpur was carrying on the business of manufacture and sale of cotton textiles. If so, the answer is as fololws;

(a) The mills consisted of two units, one situated at Juhi and the other at Couperganj, both being localities of Kanpur. The former unit was closed on January 31, 1954 and the latter on February 16, 1959. The bulk of the machinery of the first unit was sold in 1957. The Couperganj unit was sold to Elgin Mills Ltd., for a sum of thirty-five lakhs.

(b) Yes, Sir. It is understood that a verbal offer of Rs. 25 lakhs was made.

(c) As the affairs of the Corporation were being managed by a Board of directors appointed by the Allahabad High Court, the question of taking over the mills by the Government did not arise.

### Purtabpore Company Limited

2578. **Shri S. M. Banerjee:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether it is a fact that Purtabpore Company Ltd. owned by Shri H. D. Mundhra has been sold out at Rs. 2 lakhs; and

(b) if so, whether it is in the knowledge of Government what the actual value of the mill is?

**The Minister of Commerce (Shri Kanungo):** (a) No, Sir. The Purtabpore Company Ltd. was one of the subsidiaries of the British India Corporation Ltd., Kanpur. The Accounts of the said subsidiary for the year ended 31st October, 1957 reveal that its authorised, issued and paid up capital as on 31st October, 1957 was:—

| | | |
|---|---|---|
| 60,000 | 10% cumulative preference shares of Rs. 10/- each, fully paid up in each. | Rs. 6 lakhs |
| 90,000 | ordinary shares of Rs. 10/- each fully paid up otherwise than in cash. | Rs. 9 lakhs. |
| | | Rs. 15 |

The statement pursuant to section 212(1)(e) of the Companies Act, 1956 appended to the Accounts of the British India Corporation Ltd. for the year ended 31st December, 1957 shows that the Corporation and its subsidiaries held 17,950 preference shares & 57,515 ordinary shares of Purtabpore Company Ltd. The Report of the Board of Directors of the Corporation on the Accounts for the year ended 31st December, 1958 states that the Corporation disposed of its entire investments in the Purtabpore Company Ltd., during that year at a profit of Rs. 10,14,434. The Accounts of Begg Sutherland & Co. Private Ltd., another subsidiary of the Corporation show that its investments in Purtabpore Company Ltd., were sold during 1958 at a profit of Rs. 10,881.

(b) No, Sir.

### Manufacture of Raw Films and Basic Chemicals

2579. **Shri Ajit Singh Sarhadi:** Will the Minister of **Commerce and Industry** be pleased to state at what stage are the schemes for the manufacture of raw films and basic chemicals and intermediates with foreign collaboration?

**The Minister of Industry (Shri Manubhai Shah):**

*Raw Film Project*

Preliminary steps for the levelling of site and for construction of buildings, etc. have been taken by Hindustan Photo Films Manufacturing Company Limited, a fully owned Government company registered in November, 1960 at Madras for implementing the project. The project reports have been received from M|s. Bauchet of France and are under detailed examination. Indian engineers and technicians are being sent to France for training in the factories of the French Firm.

*Basic Chemicals and intermediate Project*

Here also preliminary steps for the levelling of site and for construction of facotries and buildings have been taken by Hindustan Organic Chemicals Limited, a Company set up by the Government in collaboration with a German Consortium for implementing the project. Details of plant and machinery required for the manufacture of chemicals have been furnished by the German firms. In accordance with the agreement the terms of payment for their purchase hav been indicated to them. A team of officers of the Company will shortly be proceeding to Germany for finalising the lay out of the factory, selection of suppliers and equipment for the project etc.

### Handloom Industry

**2580. Shri Kalika Singh:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) the present state of co-operative forms of organisations handling the handloom industry;

(b) what concrete steps Government propose to take in encouraging the formation of genuine co-operative organisations throughout the country to handle the handloom industry;

(c) whether complaints have been received of large scale drawal of rebate by submitting false accounts of production by certain co-operative weaving societies; and

(d) if so, what has been done thereon?

**The Minister of Commerce (Shri Kanungo):** (a) to (d). At present there are Primary and Apex Weavers' Co-operative Societies in the States. Some of these Societies earn good profits; some others earn small profits, some incur losses and there are also Societies which are dormant. The present Societies are considered genuine Co-operative Organisations. Government therefore do not consider it necessary to take any special steps to encourage the formation of genuine Co-operative Organisation except revival of dormant Societies by suitable assistance. Some allegations of abuses of the rebate scheme have come to the knowledge of the Government. These allegations have been investigated, into by the State Governments concerned. Every possible care is taken to prevent abuse of the scheme.

### मजदूर संघों के विकास के लिये अनुदान

**२५८१. श्री म० ला० द्विवेदी :** क्या **श्रम और रोजगार** मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार ने द्वितीय पंचवर्षीय योजना के अन्तर्गत मजदूर संघों के विकास के लिये कुछ अनुदान मंजूर किये थे;

(ख) यदि हां, तो कितनी रकम मंजूर की गई थी ; और

(ग) अनुदान की रकम के भुगतान में विलम्ब के क्या कारण हैं ?

**श्रम उपमंत्री (श्री आबिद अली) :** (क) केन्द्रीय श्रमिक शिक्षा बोर्ड ने श्रमिकों की शिक्षा के कार्य-क्रम को चलाने के लिये दो ट्रेड यूनियनों को अनुदान मंजूर किया है ।

(ख) दस-दस हजार रुपये ।

(ग) अनुदान उचित रूप से खर्च हो, इसके लिये अनुदान लेने वाली संस्थाओं को एक समझौते की शर्तें माननी पड़ती हैं । इन शर्तों से संबंधित कुछ कानूनी बातें पूरी करनी बाकी हैं । इसलिये अनुदान की रकम की अदायगी नहीं की जा सकी ।

### केन्द्रीय कामगर शिक्षा बोर्ड

**२५८२. श्री म० ला० द्विवेदी :** क्या **श्रम और रोजगार** मंत्री अपने मंत्रालय की वार्षिक रिपोर्ट (१९६०-६१) के पृष्ठ ५ के पैरा १० के संबंध में यह बताने की कृपा करेंगे कि :

(क) केन्द्रीय कामगर शिक्षा बोर्ड द्वारा तैयार किया गया साहित्य अब तक किन भाषाओं में प्रकाशित हो चुका है ;

(ख) इस वर्ष कौन-कौन सी पुस्तकें प्रकाशित की गई हैं ;

(ग) सरकार कितने प्रकाशन श्रमिकों में मुफ्त बांटना चाहती है और कितने मूल्य पर बेचना चाहती है ; और

(घ) क्या अंग्रेजी तथा क्षेत्रीय भाषाओं में प्रकाशित पुस्तकों के मूल्यों में कोई अंतर है ?

**श्रम उपमंत्री (श्री आबिद अली) :** (क) से (घ). अभी तक साहित्य प्रकाशित नहीं हुआ है ।

## Industrial Estates

**2583. Shri A. K. Gopalan:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) the number of industrial estates planned to be established during the Third Five Year Plan period in Kerala;

(b) the expenditure to be incurred on these estates; and

(c) the amount of Central assistance to be given to the State for the purpose?

**The Minister of Industry (Shri Manubhai Shah):** (a) It is proposed to establish 25 work sheds and 11 industrial estates during the Third Five Year Plan in Kerala. In addition to the above, work on development of plots in cities will also be undertaken during this period.

(b) It is expected that an amount of Rs. 2·5 lakhs, 70.00 lakhs and Rs. 22.29 lakhs on work sheds, industrial estates and development of plots respectively will be spent during the Third Plan period.

(c) The Third Five Year Plan provision for the State for their schemes for setting up industrial estates is Rs. 125·00 lakhs. The entire amount will be given to the State by the Centre as loan.

## कोयला खान श्रमिक-कल्याण निधि

**२५८४. श्री म० ला० द्विवेदी :** क्या श्रम और रोजगार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि सरकार कोयला खान श्रमिक-कल्याण निधि के अधीन एक कार्यक्रम बना रही है जिसके अन्तर्गत श्रमिकों को साक्षर बनाने के अलावा उन्हें उत्पादन बढ़ाने और मजदूर-संघों का संगठन करने का प्रशिक्षण दिया जायेगा; और

(ख) यदि हां, तो यह योजना कब तक आरम्भ होने की आशा है ?

**श्रम और रोजगार तथा योजना उपमंत्री (श्री ल० ना० मिश्र) :** (क) और (ख). कोयला खान मजदूरों को लिखना पढ़ना सिखाने के लिये कोयला खान श्रमिक-कल्याण संस्था की ओर से बहुत से बालिग शिक्षा केन्द्र खोले गये हैं । जुलाई, १९६१ में इस संस्था ने श्रम तथा रोज़गार मंत्रालय द्वारा शुरू की गई श्रमिक शिक्षा योजना चालू की । इस योजना के अनुसार, बालिग शिक्षा अध्यापकों को उत्पादन-क्षमता, ट्रेडयूनियन पद्धति इत्यादि की ट्रेनिंग दी जाती है ताकि वे ट्रेनिंग के बाद इन विषयों को भी पढ़ा सकें ।

## Tariff Negotiations in Geneva

**2585. Shri Khimji:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) the progress made in the Tariff Negotiations Conference being held at Geneva under the auspices of the GATT; and

(b) the countries with which India has been negotiating and the results thereof?

**The Minister of Commerce (Shri Kanungo):** (a) and (b). Tariff negotiations are in progress with the European Economic Community (Belgium, France, West Germany, Italy, Luxembourg and the Netherlands) and the U.S.A. Negotiations are expected to take place with Australia, Denmark, Finland, Nigeria, Norway and Sweden also. The results of these tariff negotiations will be known only after they have been completed.

### Assault on Prof. Shenoy at Georgetown

2586. **Shri P. G. Deb:**
**Shri P. C. Borooah:**
**Shri D. C. Sharma:**
**Shri Assar:**
**Shri Raghunath Singh:**
**Shri Rajendra Singh:**
**Shri Khadilkar:**

Will the **Prime Minister** be pleased to state:

(a) whether an Indian, Prof. B. R. Shenoy, was beaten at Georgetown after a lecture tour;

(b) if so, the details of the incident; and

(c) the action taken in the matter?

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru):** (a) and (b). Prof. B. R. Shenoy was not beaten at any time during his tour in British Guiana. Someone in the audience at Port Mourant, where he was speaking on the merit of Free Economy, asked him at the end of the meeting why he had come to British Guiana and some disturbance and perhaps some threatening attitude apparently occurred immediately thereafter. At the time of Dr. Shenoy's visit, British Gulana was in the grip of pre-election tensions and the incident apparently occurred because of the feeling that Dr. Shenoy, who was expounding the merits of a Free Economy, was by implication attacking Dr. Jagan and supporting his opponents.

(c) Does not arise.

### Industrial Projects to be set up in Kerala

**2587. Shri A. K. Gopalan:** Will the Minister of **Planning** be pleased to state what are the public sector industrial projects proposed to be set up in Kerala during the Third Five Year Plan period?

**The Deputy Minister of Planning (Shri S. N. Mishra):** A statement is laid on the Table of the House. [*See* Appendix III, annexure No. 62]

### Displaced Families in U.P.

**2588. Shri Muhammed Elias:** Will the Minister of **Rehabilitation and Minority Affairs** be pleased to state.

(a) whether 295 families who were sent to Bahraich District of Uttar Pradesh under the Payagpur Scheme are facing unprecedented hardships due to non-fulfilment of the promises given by Government; and

(b) if so, what is the reason for non-implementation of the whole scheme properly?

**The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna):** (a) It is not understood to what "promises" the Hon'ble member is referring to. Displaced persons are settled in accordance with the rehabilitation schemes formulated by the State Government and sanctioned by the Government of India.

(b) Does not arise.

### Promotion of Industries in Delhi

**2589. Shri Daljit Singh:** Will the Minister of **Commerce and Industry** be pleased to state the amount given by way of loan and subsidy by the Administration of Delhi in 1960 and 1961 so far to the various industries for their promotion and the names of such industries?

**The Minister of Industry (Shri Manubhai Shah):** A statement showing the loans advanced to various Industries by the Delhi Administration during 1959-60 and 1960-61 is laid on the Table of the House. [*See* Appendix III, annexure No. 63.] No subsidy was given to any industry during this period. During 1961-62, so far loans amounting to Rs. 30,000 have been advanced.

### Central Projects in Jammu and Kashmir

**2590. Shrimati Renu Chakravartty:** Will the Minister of **Planning** be pleased to state:

(a) the projects undertaken by the Centre in Jammu and Kashmir during the First and Second Five Year Plans; and

(b) those to be undertaken during Third Five Year Plan?

**The Deputy Minister of Planning (Shri S. N. Mishra)**: (a) and (b). Information is being collected and will be laid on the Table of the House.

### Steel Wool Factory in Nagpur

**2591. Shri Raghunath Singh:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether it is a fact that a steel wool factory is being set up in Nagpur by Messrs. Stewols and Company; and

(b) if so, the details of the scheme?

**The Minister of Industry (Shri Manubhai Shah)**: (a) Yes, Sir.

(b) M|s. Stewols & Co., Bombay had a factory in Bombay for the manufacture of about 3 lakh pounds of steel wool per annum. The factory was damaged by fire on the 31st January, 1958, and since then there has been no production. They have recently been given import licences for the acquisition of spares required for restoring the plant and machinery into working condition. The firm have intimated that they are shifting their factory from Bombay to Nagpur as they were unable to get a place for their factory in Bombay. The Government of Maharashtra have since allotted factory sheds to the firm in the Industrial Estate at Nagpur.

### Allotment of Quarters

**2592. Shri Tangamani:** Will the Minister of **Works, Housing and Supply** be pleased to refer to the reply given to Unstarred Question No. 944 on the 4th March, 1961 and state:

(a) whether the waiting list for allotment of CW and DW type of quarters have been brought up-to-date in April, 1961; and

(b) if not, the names of Divisions in which it has not been done and the reasons therefor?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda)**: (a) Yes, except in two Divisions.

(b) (i) 'C' Division.

(ii) 'F' Division.

The reason for not bringing the waiting lists uptodate is that applications are not forthcoming from the workers.

### Allotment of Quarters

**2593. Shri Tangamani:** Will the Minister of **Works, Housing and Supply** be pleased to refer to the reply given to Unstarred Question No. 943 on the 4th March, 1961 and state:

(a) whether the waiting lists for allotment of AW and BW type of quarters have been brought up-to-date in April, 1961;

(b) if not, the names of the Circles where it has not been done and the reasons therefor;

(c) whether it is a fact that such of the staff who were entitled to BW type of quarters but were in occupation of CW and DW type of quarters were not allowed to apply for BW type of quarters in some of the divisions and circles; and

(d) if so, the names of such divisions and circles, and the reasons therefor?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda)**: (a) Yes, except in 5 circles.

(b) The following circles did not bring the waiting lists uptodate. In some cases there was poor response from the workers and in others there was failure to take timely action on the part of some of the divisions:

i. 1st Circle.

ii. 2nd Circle.

iii. Electric Circle No. I.

iv. Electrical Circle No. III.

v. Construction Circle.

(c) No.

(d) Does not arise.

### Colony near Kalkaji for Displaced Persons from East Pakistan

2594. { **Shrimati Ila Palchoudhuri:**
**Shri K. B. Malvia:**

Will the Minister of **Rehabilitation and Minority Affairs** be pleased to state:

(a) whether it s a fact that Government of India have prepared a scheme for developing a colony near Kalkaji in Delhi for allotment of plots to displaced persons from East Pakistan living in Delhi;

(b) if so, the details of the scheme together with its financial implications; and

(c) when is the work on development of the colony under reference likely to be taken in hand and completed?

**The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna):** (a) and (b). It is proposed to set up a colony covering an area of 218.3 acres near Kalkaji. This area will be developed and demarcated into about 1600 plots of various sizes at a cost of about Rs. 35.48 lakhs, for allotment to displaced persons from East Pakistan who are already settled in Delhi and gainfully employed. The terms and conditions of allotment of plots have not yet been finalised.

(c) The development work is likely to be started towards the end of this year.

### Third Plan and Orissa

2595. **Shri Chintamoni Panigrahi:** Will the Minister of **Planning** be pleased to state the total amount which has been alloted to Orissa by way of loans and grants to Orissa in the Third Plan for industrial and mineral development separately?

**The Deputy Minister of Planning (Shri S. N. Mishra):** The outlay on programmes for industries and Minerals in the Third Plan of Orissa are:

| | (Rs. lakhs) |
|---|---|
| Large & Medium industries. | 35 |
| Mineral Development. | 153 |
| Village & Small Industries. | 510* |
| | 698 |

*Funds which may be sanctioned by the Khadi and Village Industries Commission to the State Board, registered institutions, etc., and those to be sanctioned for the Centrally-sponsored schemes for conversion of handlooms into powerlooms on a Co-operative basis will be additional to this allocation.

Financial assistance for large and Medium Industries and Minerals is given in the form of loans. Assistance for village and Small Industries is partly as loan and partly as grant, the extent of which cannot be separately indicated at this stage, as these are decided on the basis of the patterns of Central assistance for various types of schemes and on a year to year basis at the time of Annual Plan discussion.

### Import of Processing Machineries

2596. **Shri Jinachandran:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) the value of processing machineries, used in plantation industries like tea, rubber, coffee etc., imported during the past three years;

(b) whether there is any data as to our future requirements for these machineries;

(c) whether any of these machineries are being manufactured in India; and

(d) if so, the annual value of such production?

**The Minister of Industry (Shri Manubhai Shah):** (a) to (d). A statement is laid on the Table of the House. [*See* Appendix III, annexure No. 64].

### गुवार गम का निर्यात

**२५६७. श्री बाजपेयी** : क्या वाणिज्य तथा उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि गुवार गम का निर्यात बढ़ गया है ;

(ख) यदि हां, तो १९५९-६०, और १९६०-६१ में कितना गुवार गम निर्यात किया गया और किन-किन देशों को किया गया ; और

(ग) इस निर्यात से कितनी विदेशी मुद्रा की आय हुई ?

**वाणिज्य तथा उद्योग उपमंत्री (श्री सतीश चन्द्र)** : (क) से (ग). १९५९-६० और १९६०-६१ में निर्यात किये गये गुवार गम का परिणाम और उसका मूल्य नीचे दिया गया है :—

| वर्ष | परिमाण (मैट्रिक टनों में) | मूल्य (रुपयों में) |
|---|---|---|
| १९५९-६० | ६,४२४ | ७८,०३,६२७ |
| १९६०-६१ | ८,५४८ | ७२,४५,००४ |

यह निर्यात ब्रिटेन, नीदरलैंड, इटली, यूनान, अमरीका, स्पेन, स्विटजरलैंड, जर्मनी, (पश्चिमी) जापान तथा फ्रांस को किया गया ।

### Heavy Electricals (India) Ltd.

**2598. Shri Kalika Singh:** Will the Minister of **Commerce and Industry** be pleased to refer to the 4th annual report, 1959-60 for Heavy Electricals (India) Led., Bhopal and state:

(a) the details of articles produced so far and sold out and the production programme of current year;

(b) by what time the output is expected to touch the goal of Rs. 50 crores;

(c) what will be the saving of foreign exchange after the future expansion programme is completed; and

(d) the explanation of the Board of Directors regarding items 2 and 3 of the Audit Report dated 28-3-61 given at page 12 and comments of Comptroller and Auditor General of India dated 6-4-1961 referred to in items 1 and 2 at page 13 of the Report?

**The Minister of Industry (Shri Manubhai Shah):** (a) to (d). The required information is given in the statement below:—

### STATEMENT

Six transformers of 1000 KVA capacity and ten units 11 KV switchgear have been manufactured and are now undergoing intensive tests before they are being sold out to the customers. In addition, a number of these equipments are in a semi-finished assembly stage and numerous components for further manufacture are ready. Capacitors are also in the process of manufacture and assembly. The production programme for the period from 1-7-1960 to 31-3-1962 envisages the manufacture of power transformers, distribution transformers thermac welders, capacitors, switchgear and control gear valued in all at Rs. 3.5 crores nearly.

An output of Rs. 50 crores per annum is expected to be reached during 1968-69.

It is difficult now to make a correct assessment of the saving of foreign exchange on implementation of the full expansion of the Project as this will depend upon the indigenous availability of raw materials and components used in the final assembly of the manufactures. It is expected to be of the order of Rs. 35 to 40 crores per annum roughly when the factory will reach the output of Rs. 50 crores.

Items 2 and 3 of the Audit Report dated the 28th March, 1961 have been considered by the Board of Directors of Heavy Electricals (India) Ltd. and necessary steps have been taken to rectify the irregularities pointed out which are procedural. The Comptroller and Auditor General's comments contained three suggestions as at paras 1(i) 1(ii) and 2 of page 13 of the Annual Report; of these i.e. 1(i) and 2 have been accepted for implementation. The other suggestion i.e. 1(ii) is under consideration.

### Hard Board Factory in Madhya Pradesh

2599. **Sardar Iqbal Singh:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether it is a fact that a Hard Board Factory will be set up in Madhya Pradesh;

(b) if so, at which place; and

(c) by whom?

**The Minister of Industry (Shri Manubhai Shah):** (a) Yes Sir.

(b) At Barwaha, Khargone District.

(c) By M/s. Madhya Pradesh Timber Industries, Prop: M/s. Jay Shree Tea Industries Ltd., Calcutta.

### New Industrial Units in Punjab

2600. **Sardar Iqbal Singh:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) the names of the new industrial units established in Punjab under the Second Five Year Plan;

(b) the total amount spent by the Central Government; and

(c) the names of the new industrial units to be started during the Third Five Year Plan?

**The Minister of Industry (Shri Manubhai Shah):** (a) and (b). The Central Government have spent Rs. 1960·89 lakhs during the Second Plan period on the Nangal Fertilizer Factory which is the only new industrial unit established in Punjab under the Second Five Year Plan.

(c) *Central Sector*

Machine Tool Factory at Chandigarh—Pinjore site.

*State Sector*

| | | |
|---|---|---|
| 1. Cement Factory. | Kangra District | State participation or financial assistance to these projects in private sector/cooperative society. |
| 2. Newsprint Factory | Kangra District | |
| 3. A cooperative Spinning mill (location not yet intimated). | | |

### Radio Rural Forums in Punjab

2601. **Sardar Iqbal Singh:** Will the Minister of **Information and Broadcasting** be pleased to state the number of enquiries received from each of the radio rural forums by the All India Radio Stations in Punjab during 1960-61?

**The Minister of Information and Broadcasting (Dr. B. V. Keskar):** A statement giving the information is laid on the Table of the House. [*See* Appendix III, annexure No. 65].

### Educational Facilities for Displaced Persons' Children in Punjab

2602. **Sardar Iqbal Singh:** Will the Minister of **Rehabilitation and Minority Affairs** be pleased to state:

(a) the amount of money which was sanctioned to Punjab for providing facilities for the Primary Education of the children of displaced persons from Pakistan resettled in Punjab during the period 1957-58 to 1961-62; and

(b) the number of Primary Schools established in various refugee colonies in Punjab?

**The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna)**: (a) and (b). The information has been called for from the Government of Punjab. When received, it will be laid on the Table of the Sabha.

### Exports to U.A.R.

2603. **Sardar Iqbal Singh**: Will the Minister of **Commerce and Industry** be pleased to state:

(a) the main steps taken by Government to improve the export of Indian Goods to the United Arab Republic; and

(b) the results achieved so far?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra)**: (a) The main steps taken by the Government to improve export of Indian goods to the United Arab Republic are:—

(i) Special Rupee Payments arrangements with the Misr. Foreign Trade Company, Cairo.

(ii) Establishment of a Trade Centre and a Tea Centre in Cairo.

(iii) Participation in the Damascus International Fairs in 1957 and 1961;

(iv) Visit by delegation sponsored by some Export Promotion Councils with a view to assess market potentialities;

(v) Invitation to some U.A.R. Ministers to visit India this year in order to see our industrial progress.

(b) Exports to U.A.R. during the last three years have been as follows:

(Rs. lakhs)

| 1958 | 1959 | 1960 |
|---|---|---|
| 1015 | 976 | 1588 |

### Ceramics Factory in Kashmir

2604. **Sardar Iqbal Singh**: Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether there is any proposal to set up Ceramics Factory in Kashmir; and

(b) if so, the details thereof?

**The Minister of Industry (Shri Manubhai Shah)**: (a) Yes, Sir.

(b) The State Government propose to set up at Jammu a plant for the production of 560 tons per annum of Sanitaryware, Crockery and Electricals Porcelian involving a total capital outlay of about Rs. 30 lakhs and utilising raw materials available within the State with the exception of felspar which could be procured from adjoining areas. It was also proposed to obtain the help of two Czecholovakian technicians in the erection and initial operation of the factory.

### Educated Unemployed in Orissa

2605. **Shri Chintamoni Panigrahi**: Will the Minister of **Labour and Employment** be pleased to state the number of matriculates, intermediates and graduates registered as unemployed in Orissa as on 31st July, 1961?

**The Deputy Minister of Labour (Shri Abid Ali)**: Information as on 31st July 1961 is not available as it is collected on quarterly basis. The number on the Live Register as on 30th June, 1961 is as under:—

| | |
|---|---|
| Graduates .. | 632 |
| Intermediates .. | 463 |
| Matriculates .. | 5150 |

### Export of Manganese Ore

2606. **Shri Chintamoni Panigrahi**: Will the Minister of **Commerce and Industry** be pleased to state the total trading loss incurred by the State Trading Corporation on the export of Manganese Ore during the Financial Years, 1957-58, 1958-59, 1959-60 and 1960-61.

**The Minister of Commerce (Shri Kanungo)**: There was a net loss of Rs. 3·56 lakhs during 1959-60 only, after due adjustment of losses against profits. In other years State Trading Corporation had made profits on exports of Manganese Ore.

### Export of Iron Ore

2607. **Shri Chintamoni Panigrahi**: Will the Minister of **Commerce and Industry** be pleased to state what is the total demurrage paid by State Trading Corporation in export of iron ore during 1959-60 and 1960-61?

**The Minister of Commerce (Shri Kanungo)**: The total amount of demurrage incurred by the State Trading Corporation on the iron ore shipments made during 1959-60 and 1960-61 was as follows:—

| Year (April-March) | Demurrage |
|---|---|
| 1959-60 | Rs. 7·57 lakhs |
| 1960-61 | Rs. 15·48 lakhs |

### Fire in the Office of the Directorate of Advertising New Delhi

2608. **Shri A. M. Tariq**: Will the Minister of **Information and Broadcasting** be pleased to state:

(a) whether it is a fact that a fire broke out in the office of the Directorate of Advertising New Delhi in July 1961; and

(b) if so, the reasons therefor and the loss incurred therefrom?

**The Minister of Information and Broadcasting (Dr. Keskar)**: (a) Yes, Sir.

(b) The matter is being investigated. The total loss is estimated at Rs. 1,300|-.

### Prototype Production-cum-Training Centre at Howrah

2609. **Shri S. C. Samanta:**
**Shri Subodh Hansda:**

Will the **Minister of Commerce and Industry** be pleased to refer to the reply given to Unstarred Question No. 546 on the 22nd November, 1960 and state:

(a) how far the construction of the main-workshops of the Prototype Production-cum-Training Centre at Howrah, has progressed;

(b) whether all the necessary machineries have arrived in time;

(c) whether training programme has started since April last as contemplated; and

(d) if so, whether necessary staff has been recruited?

**The Minister of Industry (Shri Manubhai Shah)**: (a) The foundations of the main workshop building are complete and the super-structure of building is in progress. The erection of the columns and casting of beams for the one-third portion of the main workshop are complete. Erection of the columns of the balance two-third portion of the main workshop building is in progress. The main workshop building is expected to be ready by mid-October, 1961. The Finishing shop and the Electric Sub-Station building are in progress. The Electric Sub-Station will be ready by October, 1961 and the Finishing shop by mid-December, 1961.

(b) 85% of the machinaries have arrived.

(c) The training programme will start shortly.

(d) The necessary staff will be in position before the training starts.

### Rent for 'G' Type Quarters

2610. **Shri Balraj Madhok**: Will the Minister of **Works, Housing and Supply** be pleased to state:

(a) whether it is a fact that many Government servants entitled to get 'E' type quarters are still living in 'G' type quarters;

(b) whether it is also a fact that they have to pay rent for such 'G' type quarters at a much higher rate than other allottees of such quarters; and

(c) what is the justification for this glaring anomaly?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda):** (a) Yes.

(b) and (c). In accordance with Fundamental Rule 45-A, rent for Government accommodation provided to Government servants for their residence, is charged at the rate of 10% of the officer's emoluments (7½% in the case of officers whose emoluments are below Rs. 150/- per months), or standard rent of the building, whichever is less. This rule is applied uniformly.

### Indo-Pakistan Trade Agreement

**2611. Shri Raghunath Singh:** Will the Minister of **Commerce and Industry** be pleased to state whether any Indian trade team is visiting Pakistan to review the working of the two-year old Indo-Pakistan trade agreement concluded in 1960?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra):** No such proposal is being considered at present.

### Production of Handloom Cloth

**2612. Shri Tangamani:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether the production of handloom cloth has shown increase in 1960 as compared to 1959;

(b) what is the actual production; and

(c) what is the estimated production for 1961?

**The Minister of Commerce (Shri Kanungo):** (a) No, Sir.

(b) The production during the year 1960 was 1860·34 million yards as against 1918·37 million yards in 1959.

(c) A target of 3500 million yards has been allotted to the decentralised sector in the Third Plan period out of which 2800 million yards per year are expected to be allotted to the handloom sector. Efforts are being made to attain this target during the Third Plan, although the expansion during 1961 may not be substantial.

### Code of Discipline

**2613. Shri Tangamani:** Will the Minister of **Labour and Employment** be pleased to state:

(a) whether Code of Discipline will be extended to Banks and Life Insurance Corporation;

(b) if not, the reasons therefor?

**The Deputy Minister of Labour (Shri Abid Ali):** (a) Yes.

(b) Does not arise.

### Overpayment to C.P.W.D. Contractors

**2614. Shri Tangamani:** Will the Minister of **Works, Housing and Supply** be pleased to refer to the reply given to Unstarred Question Nos. 285 and 286 on the 20th February, 1961 and state:

(a) whether the thirty-two cases of over-payment have been disposed of;

(b) if so, the action taken against concerned persons; and

(c) how much amount has been recovered from the contractors out of 18·5 lakhs of rupees?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda):** (a) Six out of these thirty-two cases of overpayment and irregularities have since been finalised.

(b) Action has been taken against twelve officers comprising:

4 Executive Engineers,

3 Assistant Engineers,

4 Sectional Officers and

1 work Assistant, the nature of punishment awarded varying from warning/censure to dismissal.

(c) An amount of Rs. 4,02,520/- has since been recovered from the contractors.

### राजस्थान मे उद्योग प्रशिक्षण केन्द्र

२६१५. **श्री प० ला० बारूपाल :** क्या **श्रम और रोजगार** मंत्री यह बताने की कृपा करेंगे कि क्या राजस्थान में जनसंख्या में वृद्धि को ध्यान में रखते हुये उद्योग प्रशिक्षण केन्द्र बढ़ाने की कोई व्यवस्था की गई है ?

**श्रम और रोजगार तथा योजना मंत्री (श्री ल० न० मिश्र) :** तीसरी पंचवर्षीय योजना के दौरान में राजस्थान में ग्यारह नये औद्योगिक प्रशिक्षण संस्थान खोलने के बारे में प्राप्त राजस्थान सरकार के प्रस्ताव मंजूर कर लिये गये हैं ।

### Allotment of Cars and Jeeps

2616. **Shri Dharmalingam:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether there is any proposal to allot cars and jeeps for use during the ensuing General Elections on party basis; and

(b) if so, the details thereof?

**The Minister of Industry (Shri Manubhai Shah):** (a) No, Sir.

(b) Does not arise.

### Civil Supply Officers in Manipur

**2617. Shri L. Achaw Singh:** Will the Minister of **Works, Housing and Supply** be pleased to state:

(a) whether it is a fact that a number of Civil Supply Officers were appointed very recently by the Manipur Administration;

(b) if so, the number of such officers; and

(c) the purpose for which these appointments were made?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda):** (a) to (c).

Necessary information is being collected and will be laid on the table of the House.

### Manipur Public Works Department

2618. **Shri L. Achaw Singh:** Will the Minister of **Works, Housing and Supply** be pleased to state:

(a) whether it is a fact that there are two principal engineers in Manipur appointed to the Manipur Public Works Department; and

(b) if so, how their duties were distributed to avoid overlapping and clash in their execution?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda):** (a) and (b). There is one Principal Engineer in the scale of Rs. 1300-60-1600 and one Additional Principal Engineer in the scale of pay of Executive Engineer (viz. Rs. 600—25—750—25—900) plus a special pay of Rs. 100/-, in the Manipur Public Works Department. The Principal Engineer is in over-all incharge of the Department. He is also Ex-officio Secretary (Works), Manipur Administration.

Apart from these duties the Principal Engineer is in charge of 5 out of 9 Divisions. The Additional Principal Engineer is in charge of the other 4. There is thus no overlapping of functions.

### House Rent of Government Quarters

**2619. Shri Arjun Singh Bhadauria:** Will the Minister of **Works, Housing and Supply** be pleased to state:

(a) whether it is a fact that Government of India are charging more than 7½ per cent of the basic pay as house rent from those who have been allotted Government accommodation and whose pay is below Rs. 150 p.m.;

(b) whether the above rate of house rent is not against the spirit of the announced decision of Government;

(c) the number of cases where this increase has been given effect to; and

(d) what steps Government propose to take in the matter to charge house rent not more than 7½ per cent of the basic pay from the employees whose pay does not exceed Rs. 150 p.m.?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda):** (a) to (d). In accordance with the provisions of Fundamental Rule 45-A rent from a Government servant, allotted a residence by the Government, was previously recovered at 10% of the "emoluments" of the officer or standard rent of the residence, whichever was less. As a result of the acceptance of the recommendations of the Second Pay Commission, this rule has been amended to the effect that rent from those drawing less than Rs. 150/- p.m. is to be recovered at a rate not exceeding 7½% of their "emoluments". According to Fundamental Rule 45C, the term "emoluments" does not mean the basic pay alone but includes also the special pay, certain compensatory allowances, pension, etc. Government have no intention to change this basis of recovery of rent.

### Allotment of Government Accommodation

**2620. Shri S. M. Banerjee:** Will the Minister of **Works, Housing and Supply** be pleased to state:

(a) whether the 'date of priority' for Government accommodation under the control of Director of Estates has been changed from 'date of appointment' to date of entitlement;

(d) if so, what are reasons for the same; and

(c) how far Government servants have been benefited by this?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda):** (a) to (c). Prior to the 25th July, 1959 the date of priority for the purpose of allotment of residential accommodation from the General Pool in Delhi/New Delhi was being determined as under:—

**(i) In the case of officers drawing monthly emoluments of not less than Rs. 500/-.**

The earliest date from which an officer had been drawing emoluments which entitled him to a particular class or a higher class of accommodation.

**(ii) In the case of officers drawing less than Rs. 500/- as monthly emoluments.**

The earliest date from which an officer had been holding a qualifying appointment irrespective of the emoluments drawn by him.

2. The allotment rules were amended with effect from the 25th July, 1959 so as to provide that the priority date of an officer in relation to a class of residence would be the earliest date from which he had been continuously drawing emoluments which entitled him to that class or a higher class of accommodation. The distinction between the officers drawing Rs. 500/- or above and others drawing less than Rs. 500/- p.m. has thus been removed. The amendment ensures greater stability of the waiting lists of various classes and is more equitable inasmuch as the officers who have been drawing emoluments of a particular class or a higher class for longer periods now rank senior to those who just enter that class. In order to ensure that an officer does not remain without Government accommodation for a long time the officers have also been made eligible for the class of accommodation next below the class to which they are otherwise entitled.

### Small Scale Industries in Tripura and Manipur

**2621. Shri L. Achaw Singh:** Will the Minister of **Commerce and Industry** be pleased to state:

(a) whether there is any committee to advise the allocation of loans and grants for the setting up and expansion of small scale industrial units in the Union Territories of Tripura and Manipur;

(b) the amount of grants and loans extended to Small Scale Industrial units during 1959-60 and 1960-61; and

(c) the position of recovery of loans given to such units?

**The Minister of Industry (Shri Manubhai Shah)**: (a) Industrial Advisory Boards to advise the Union Territories of Tripura and Manipur on the grant of loans under the State Aid to Industries Rules are functioning. There is no committee to advice on disbursement of grants.

(b) The following loans have been santioned;

| Territory | 1959-60<br>Rs. | 1960-61<br>Rs. |
|---|---|---|
| Tripura | 85,000 | 94,000 |
| Manipur | 50,000 | 1,00,000 |

(c) Loans are repayable beginning from the Second anniversary date of disbursement. As loans are sanctioned against proper security, the progress of recovery is expected to be satisfactory.

### Low Income Group Housing Scheme in Delhi

**2622. Shri B. C. Mullick**: Will the Minister of **Works, Housing and Supply** be pleased to state:

(a) whether it is a fact that generally the applications for loans for the construction of houses under the Low Income Group Housing Scheme in the Union Territory of Delhi are delayed in the office of the Housing Commissioner, Delhi;

(b) whether it is also a fact that applicants are not granted loan for a pretty long time nor they are informed of the fate of their applications;

(c) how many of the applicants who applied for loans under the Low Income Group Housing Scheme have withdrawn their applications for loan as the Housing Commissioner, Delhi, delayed the grant of loan to such applicants; and

(d) the reasons for such abnormal delay?

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda)**: The Delhi Administration have intimated:—

(a) that no avoidable delay takes place in the disposal of applications for grant of loan under the Low Income Group Housing Scheme in their Housing Office.

(b) that, if the applications conform to the provisions of the Scheme and the Rules prescribed thereunder, the loan assistance is sanctioned as expeditiously as practicable. Where applications are rejected, the reasons for the rejection are also communicated to the persons concerned.

(c) and (d). that no application has so far been withdrawn by any prospective borrower on account of the alleged official delay.

### Scale of Pay in Rubber Board

**2623. Shri Maniyangadan**: Will the Minister of **Commerce and Industry** be pleased to refer to the reply given to Unstarred Question No. 3551 on the 19th April, 1961 and state:

(a) whether any recommendation regarding the removal of disparities between the scales of pay attached to certain posts under the Rubber Board and those under Government and Semi-Government Departments having similar nature of work, has since been received;

(b) whether the Rubber Board has taken any decision in this matter;

(c) whether the decision of the Board has been communicated to Government;

(d) if not the reasons therefor; and

(e) if the recommendations have been received, what decision has been taken by Government?

**The Minister of Commerce (Shri Kanungo)**: (a) to (e). The Rubber

Board while submitting proposals for revision of pay scale in accordance with Government's decisions on the recommendations of the Pay Commission, had suggested the upgradation of certain posts to make them on part with comparable posts in Governments departments and other Statutory Bodies. Since the two questions, namely, revision of pay scales and upgradation of certain posts to remove disparities, have to be dealt with separately, the Rubber Board has been asked to put up first proposals for revision of pay scales in accordance with the recommendations of the Pay Commission immediately. The question of removal of disparities where they exist will be taken up after the revision of pay scales is completed.

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12 hrs.

## STATEMENT RE: TALKS WITH SANT FATEH SINGH

**The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru)**: Mr. Speaker, Sir, a few days ago, I Placed on the Table of the House copies of correspondence which had passed between me and Master Tara Singh and Sant Fateh Singh. This correspondence began with a letter which I had addressed to Master Tara Singh on August 10, 1961 appealing to him to give up the idea of a fast which he had previously announced and which was to begin on the 15th August. The copies of the letters that I placed on the Table of the House ended with a letter from me dated August 23 addressed to Shri Fateh Singhji.

On that very day, namely August 23, Sant Fateh Singh came to Delhi and met me in the evening. We also met on the 24th and 25th August. Sant Fateh Singh was accompanied during these talks by Sardar Gurnam Singh. These talks were frank and friendly, but they did not lead to any agreement. Sant Fateh Singh thereafter, on the evening of the 25th August, returned to Amritsar.

Meanwhile, the fast which Master Tara Singh had commenced on the 15th August continued and is still continuing. Other fasts were started in opposition to Master Tara Singh's fast by Swami Rameshwaranand in Delhi and Shri Surya Dev in Amritsar.

Government have been much concerned about these fasts and have made repeated requests for their discontinuance. But all the efforts of Government has thus far not succeeded in this matter.

In the course of my long talks with Sant Fateh Singh and Sardar Gurnam Singh, stress was laid by them on what has been referred to as a Punjabi Suba, that is, a partition of the state of the Punjab as it is today so as to separate the purely Punjabi-speaking area which should be made into a new separate State. I was unable to agree to this proposal because it seemed to me harmful both in principle and in its application. Further, any such demand based on the coercion exercised by a fast appeared to be an undesirable and harmful method opposed to the normal concepts of democracy and parliamentary procedure. Such a method would ultimately lead to a weakening of the democratic procedures in the country and would lead to other grave and difficult problems.

On the merits of the proposed Punjabi Suba, I pointed out that inso far as the question of language was concerned, and more particularly the advancement of the Punjabi language, there should be no dispute or argument now. A great deal had been done to further the Punjabi language both in education and in administration up to a certain level. And, as opportunities arose, more could be done. In fact, a settlement arrived at some years ago to divide the Punjab into two regions, namely the Punjabi region and the Hindi region, had already resulted in full protection being given to the Punjabi language.

Soon after the settlement based on the regional formula was arrived at, there was some delay in giving effect to it because it involved the training of many thousands of teachers in the Punjabi language so that they could undertake education in the elementary stages in Punjabi. These teachers were called upon to learn both Hindi and Punjabi. As this training proceeded, a change-over took place in the medium of instruction in these regions. In addition to the proposals made in the regional formula for the advancement of Punjabi, other steps have also been taken with that end in view. It has also been decided to start a University for the Punjabi language.

Thus, inso far as the Punjabi language is concerned, everything that has been asked for has been conceded and full opportunities have been provided for the growth of that language. The question, therefore, of demanding a Punjabi Suba in order to give facilities to the Punjabi language does not arise. The demand for a Punjabi Suba thus can only be considered as a communal demand, even though it is given a linguistic base. It seemed to us that the acceptance of the proposal which basically was communal would be wrong in regard to the formation of a State.

Apart from this, any division of the Punjab as it is would be very harmful to all the people there and come in the way of the progress of the Punjab. The Punjab, as is well known, is one of the most prosperous of Indian States, and the *per capita* income of the people there is the highest in India, it is an economic unit, and to break this up would necessarily injure its developing economy and progress. At any time this would be undesirable. At the present moment, when the Third Five Year Plan has just begun, it would be a blow to the State from which it would take many years to recover.

A state formed on the basis of the proposed Punjabi Suba would be one of the smallest in India and it is by no means sure that it would be easily viable.

The Punjab as a province was formed over a hundred years ago. It suffered greatly from its partitition at the time of India attaining independence. It has, by the courage and hard work of its people, succeeded in largely overcoming the disabilities imposed by the Partition. Another partition now would cause it deep injury.

Apart from the economic aspect, the Punjab, as it has grown, has formed a definite social and linguistic unit. The dominant language of the whole State has been and is Punjabi though in certain parts of it Hindi is the mother tongue. It has developed a certain linguistic and social culture which is peculiar to the Punjab and which distinguishes Punjabis, whether they are Hindus or Sikhs or from whatever part of the State they may come. In effect, it is a Punjabi-speaking State with certain areas where Hindi is the language of minority groups. Hindi is, of course, as laid down in the Constitution, also the all-India language for official purposes. Most people in the Punjab understand both Hindi and Punjabi. There are innumerable families in the Punjab some of whose members are Sikh and some Hindu. In fact, except for fairly recent communal developments, the Punjab has been a more integrated State than almost any other State in India. To split it up and break this integration would be a tragedy, both from the social and the economic points of view. Linguistically, Punjabi would suffer. The Sikhs specially would be sufferers because their wide outlook, which has taken them to all parts of India where they have made good and succeeded in their activities, may, to some extent, be replaced by a narrower outlook.

For all these and many other reasons, I pleaded with Sant Fateh Singh, and previously with Master

[Shri Jawaharlal Nehru]

Tara Singh, that their proposal to partition the Punjab again was harmful for the country, for the Punjab and more especially for the Sikhs.

If, however, anything further had to be done in regard to the advancement of Punjabi, we were perfectly prepared to consider it. As far as I could see, nothing further could be done from the linguistic point of view for the furtherance of Punjabi, which could not be done in existing circumstances.

If the regional formula was not wholly satisfactory, this matter could be examined fully so as to make its working smoother and more effective if it was thought necessary, some additional powers could be given to the regional committees.

It was suggested by Sant Fateh Singh that the regional committees should be given powers of legislation and converted into some kind of sub-legislatures. I was unable to agree to this as it was not only not in keeping with our Constitution but would produce an extraordinary state of affairs in the Punjab with three legislatures functioning there.

It was stated that the regional formula had not worked and was practically dead. On enquiry I found that this was satisfactorily and, in fact, almost all its recommendations had been accepted by the Punpab Assembly. But I made it clear that I was fully prepared to have this matter examined by representatives of the regions and the Punjab Government so that its working could be improved.

It had been repeatedly said that there was discrimination against the Sikhs, though instances of this had not been pointed out. I suggested, however, that if there was any such apprehension, a high level enquiry could be made into this matter to find out if there had been any such discrimination.

To my deep regret, the proposals I made were not acceptable to Sant Fateh Singh, and he insisted on the Punjabi Suba or, in the alternative, of the regions having special legislatures of their own. I could not accept either of these for the reasons I have stated already. I pleaded with Sant Fateh Singh to induce Master Tara Singh to give up his fast, because whatever the result of it, this could do no good and it was a wrong method. Wrong means could not lead to right results. I pointed out to him that the future of the Punjab would be dark if there was conflict and tension between the Hindus and the Sikhs of the Punjab. It was only on the basis of mutual godwill and co-operation that the Punjab could make the progress which was its due and for which it was so eminently fitted. Any further partition would inevitably create a great deal of illwill and conflict. It may even break up many families. In search of something which seemed to me trivial and even harmful, we would lose the precious heritage which is common to all Punjabis, whether they are Hindus or Sikhs or Muslims.

I deeply regret my failure to convince Sant Fateh Singh. The unfortunate result is that Master Tara Singh's fast is still continuing, and so, also the fasts of Swami Rameshwaranand and Shri Surya Dev.

The future of the Punjab is important not merely for one group but for every Punjabi and indeed for the whole country. Many people, both Sikhs and Hindus, have tried their utmost to induce Master Tara Singh and others to end their fasts and thus produce a climate when problems can be considered calmly and through democratic processes. Unfortunately they have thus far not succeeded.

The argument that linguistic provinces have been accepted elsewhere but not in the Punjab is not valid.

No State in India is wholly unilingual. The Punjab is more homogenous and integrated than many other States in India. Even from the point of view of language, Punjabi is the dominant language. This does not mean that there are not languages of minority groups as elsewhere. Even if the broad principle of linguistic provinces is accepted, it is impossible and sometimes very harmful to carry it to extreme limits. Indeed this is not possible without breaking up India into numerous small bits. I would even say that the Punjab as it represents linguistically a homogenous area with certainly some linguistic minority groups. Any artificial division would leave large numbers of persons on either side whose sympathies would be for the other side. Thus an element of friction would be created and this would continue and prevent harmonious and co-operative working. To partition the existing State would not only be a break with history and tradition, but would cause deep injury to the economy of the State and the lives of the brave people who live there

I would again earnestly request Master Tara Singh to give up his fast. The suggestions I have made above about an enquiry into the working of the regional formula holds. So also the enquiry, if considered necessary, into the charge that there has been discrimination

**Shri H. N. Mukerjee** (Calcutta—Central): Earlier, it was suggested to you—you had agreed and the Prime Minister had also agreed—that before the Prime Minister leaves the country there should be a discussion on this subject. I say this because—

**Mr. Speaker**: I have accepted it. We shall have a discussion on this subject tomorrow evening, at 4 o'clock, for a couple of hours. As the time is short, all hon. Members may not be able to take part; therefore, leaders of groups may take part.

**Ch. Ranbir Singh** (Rohtak): There are many hon. Members from Punjab who want to take part. The time may be extended.

**Shri Braj Raj Singh** (Firozabad:): Three hours may be allotted.

**Shri Goray** (Poona): Yes; three hours may be given.

**Mr. Speaker**: If the House is willing to sit, I shall also sit for three hours. It may be 4 to 7.

**Shri S. M. Banerjee** (Kanpur): Let us start it at 3 o'clock.

**Mr. Speaker**: I shall consider it. In view of the statement of the hon. Prime Minister and my decision to have a discussion on it—the hon. Prime Minister himself suggested that we may have a discussion—there is no difference of opinion on this matter. I have also allowed a discussion tomorrow.

Hon. Members who have given notices of Adjournment Motion or Calling Attention Notices may take part in that discussion. I do not propose allowing any of the Adjournment Motions or the Calling Attention Notices on this subject.

**Shri Tyagi** (Dehra Dun) *rose*—

**Mr. Speaker**: Shri Tyagi has tabled a Calling Attention Notice. I shall try to give him an opportunity tommorrow He can raise this matter also.

**Shri Tyagi**: I do not want to raise a discussion about it now. It is only a question of pure information. I do want to discuss it. (Interruptions).

**Mr. Speaker**: No, no.

**Shri Tangamani** (Madurai): There is already another Calling Attention Notice. You have already directed that except on the last day of the session there cannot be more than one Calling Attention Notice.

**Mr. Speaker**: Tomorrow, every one of these things will be considered.

**Shri Tyagi:** Will it then come as a Calling Attention Notice?

**Mr. Speaker:** No. He may participate in the discussion.

**Shri Tyagi:** It is not my intention to participate in the discussion.

**Mr. Speaker:** He may then ask another hon. Member to participate in the discussion.

**Shri Tyagi:** On a point of order, Sir. I would like to have your ruling is it out of order?

**Mr. Speaker:** I am not allowing it now. It is an academic issue. The hon. Member wanted to call the attention of the Minister to a particular matter. I cannot immediately allow it merely because he has given a Calling Attention Notice. It is not an Adjournment Motion. A Calling Attention Notice takes time to be considered. I shall take time to consider whether I should admit it or not. Tomorrow, I will consider this matter and shall call on him.

**Shri Ram Krishan Gupta:** (Mahendragarh): The time allotted to it may be increased. I mean the Punjabi Suba issue.

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**12·19 hrs.**

## *RE*: MOTION FOR ADJOURNMENT

**श्री प्रकाशवीर शास्त्री** (गुड़गांव) : अध्यक्ष महोदय, मैंने एक काम रोको प्रस्ताव इस सम्बन्ध में दिया है कि स्वामी रामेश्वरानन्द जिस आर्य समाज मंदिर में अनशन कर रहे हैं आज से ठीक सात दिन पहले एक ऐसी घटना घटी कि वहां पर एक बम फेंका गया था और कल फिर इसी प्रकार की घटना घटी है जिस कमरे में स्वामी जी निवास करते हैं वहां पर बम फेंका गया और वह बम आर्य समाज मंदिर से टकरा कर टूट गया । पिछली बार गृह-कार्य मंत्री श्री दातार ने कहा था कि हम ने वहां पर पुलिस का प्रबन्ध बढ़ा दिया है तो भी कल इतनी भयंकर घटना घटी और पुलिस जो वहां पर खड़ी थी यद्यपि उसमें से एक पुलिस के आदमी को चोट भी लगी है तो भी पुलिस अकर्मण्य बनी हुई है ऐसी स्थिति में जब कि एक पवित्र कार्य वहां हो रहा है चल रहा है एक धर्म मंदिर के ऊपर एक षड्यंत्र के रूप में आक्रमण किया जाय तो ऐसी स्थिति में गवर्नमेंट को इस स्थिति पर अवश्य विचार करना चाहिये ।

**Mr. Speaker:** Shri Prakash Vir Shastri has tabled an Adjournment Motion regarding this subject. This is what he says:

> "The situation arising out of a second bomb explosion in the Arya Samaj Mandir-Diwan Hall, Delhi, where Swami Rameshwaranandji is on fast for the maintenance of the unity of Punjab be discussed."

I find from the cutting from the newspaper that he has given to me that it was a cracker which was thrown in the Diwan Hall. Now, the hon. Member calls it a bomb. What is this?

**The Minister of State in the Ministry of Home Affairs (Shri Datar):** The matter is already under investigation. About ten persons have been interrogated and the police are taking all proper steps in this respect.

**Mr. Speaker:** Very well; all proper steps will be taken to safeguard the life.

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**12·21 hrs.**

## CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

### Reported deaths due to house collapse in Delhi

**Shrimati Mafida Ahmed** (Jorhat): Under rule 197, I beg to call the attention of the Minister of Home Affairs to the following matter of urgent public importance and I request that he may make a statement thereon:—

> "The reported deaths of seven persons in Delhi due to house collapse and drowning in flooded nullahs following heavy rainfall on the 2nd August, 1961."

**The Minister of State in the Ministry of Home Affairs (Shri Datar)**: On 2nd August, 1961, Delhi witnessed an unprecedented rainfall, the heaviest for any day in August during the last 70 years, of 7·65 inches spread over only 7 hours. Consequently the people of Delhi had to suffer inconveniences, difficulties, some loss of property and tragic loss of life. Our sympathies are all with them. The Prime Minister and the Home Minister had also occasion to visit some of the affected areas. Extensive details about this heaviest rain and the resultant loss of life and property have appeared in the press. In all seven valuable lives have been lost in Delhi. All of them were tragically entrapped in accumulated or gushing water by accident. This is most unfortunate and we are extremely sad over it. Our sincerest sympathies are for the families of the departed souls.

**Shrimati Mafida Ahmed**: According to Press Report—the underground rain-water tunnel near the Safdarjung Hospital was about 3 feet in diamater, which caused the loss of six lives. The House would desire to know how such a big opening was kept uncovered and who is responsible for this tragic happening?

**Shri Datar**: Immediately action was taken to see that all water was drained off.

**Shri S. M. Banerjee (Kanpur)**: It was brought to the notice of the Minister that there was an article in the Hindustan Times that the subsoil water is coming up in Delhi and this is spreading disease. What steps have been taken to counteract this?

**Mr. Speaker**: This is about house collapse.

**Shri S. M. Banerjee**: There is house collapse because of this also.

**Mr. Speaker**: Do houses collapse on account of insects? I cannot understand. (Interruptions).

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12.22 hrs.

## PAPERS LAID ON THE TABLE

### Tea (Third Amendment) Rules 1961

**The Minister of Commerce (Shri Kanungo)**: I beg to lay on the Table a copy of the Tea (Third Amendment) Rules, 1961, published in Notification No. G.S.R. 1027 dated the 12th August, 1961, under sub-section (3) of section 29 of the Tea Act, 1953. [*Placed in Library, See* No. LT-3168 61].

### REPORT OF INDIAN GOVERNMENT DELEGATION TO 45TH SESSION OF INTERNATIONAL LABOUR CONFERENCE

**The Deputy Minister of Labour (Shri Abid Ali)**: I beg to lay on the Table a copy of the Report of the Indian Government Delegation to the 45th session of the International Labour Conference held at Geneva in June, 1961. [*Placed in Library, See* No. LT-3169 61].

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12.22½ hrs.

## MESSAGE FROM RAJYA SABHA

**Secretary**: I have to report the following message received from the Secretary of Rajya Sabha:—

> "In accordance with the provisions of rule 125 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha

[Secretary]

that the Rajya Sabha, at its sitting held on the 23rd August, 1961, agreed without any amendment to the Dadra and Nagar Haveli Bill, 1961, which was passed by the Lok Sabha at its sitting held on the 17th August 1961."

## PRIVILEGES

12.22½ hrs.

**Mr. Speaker:** The House will now take up . . .

**Shri Tangamani** (Madurai): There is the next item in the Order Paper. .

**Mr. Speaker:** Why should he be in a hurry? I am coming to the next item in the Order Paper. I am really surprised. I am just coming to the next item in the Order Paper. How can I ignor it?

The House will now take up consideration of the letter dated the 23rd August, 1961 from Shri R. K. Karanjia requesting for extension of time for his appearance at the bar of Lok Sabha

**Shri Tangamani** *rose—*

**Mr Speaker:** I am not going to bypass him. What is this impatience? The other day it was brought to our notice and the on. Deputy Speaker moved for permission of the House for me to appoint the Attorney General to appear for me, the Secretary and the Under Secretary in the writ petition filed by Shri Karanjia in the Supreme Court. The case is posted for admission today. Let us see to what conclusion the Supreme Court comes. As I have already said, I do not want to get into confllict with Supreme Court nor would the House like it. Therefore, let us wait and see what exactly happens. I will call this at 4 o'clock today.

Shri Tangamani's amendment will be taken up then. What is the hurry? what does he want to say? shri Tangamani has moved that the entire time may be given and it will be postponed to the next time. There is another amendment that a week may be given. I am going to put the amendments when the matter is discussed. Shall I dispose of the amendment first before the motion?

**Shri Tangamani:** I have not committed any irregularity. All that I wanted to say was, there is an item in the agenda.

**Mr. Speaker:** How can I bypass that item?

**Shri Tangamani:** Unusualy you are very angry with me.

**Mr. Speaker:** I am not unusually angry; I am usually angry.

**Shri Tangamani:** I crave your indulgence. I think it is the duty of a Member of the House to bring it to your notice.

**Mr. Speaker:** I am afraid I am showing a lot of indulgence to the hon. Member, He does not understand it correctly. I am coming to the next item. If I bypass it, certainly, he can point it out. I have allowed him to speak a number of times; I have nothing against him. I am very happy that he is taking a lot of interest in this matter. But sometimes his enthusiasm, overpowers his discretion.

**Shri Muhammed Elias** (Howrah): Today you are very much unkind to him.

**Mr. Speaker:** Absolutely not.

12.26 hrs.

## RELIGIOUS TRUSTS BILL

**Shri Jaganatha Rao** (Koraput): I beg to move:

> "That the time appointed for the presentation of the Report of the Joint Committee on the Bill to provide for the better supervision and administration of certain religious trusts be further extended upto the last day of the next session."

The committee have been sitting and recording evidence. In the last sitting of the committee, which was held on the 24th of this month, the committee held that it would be advantageous to have the report of the Hindu Religious Endowments Commission, which is proceeding with the matter. So, the committee held that further time should be taken. So, I have made this motion. I may also submit that the hon. Law Minister also held the view that it would be advantageous to have the report of the Commission before the Committee.

**Shri Tangamani Panigrahi** (Puri) May I know whether it was mentioned in the terms of reference to the Joint Committee that we should wait till the Commission's report is available?

**Mr. Speaker:** That is not done normally. Regarding the presentation of the report of the committee, the hon. Law Minister explained the other day that they are going to take some time, till February. If it is presented in February, we have no time to get through this Bill. Hon. Members would like to have the recommendations of the committee. Therefore, there is no purpose in getting through this Bill. That is why that committee was appointed. I leave it to the House to decide one way or the other.

**Shri Tangamani** (Madurai): Before the motion is put to the House, may I point out that it is not in the Order Paper?

**Mr. Speaker:** It is in the Order Paper; it is not in his Order Paper perhaps.

**Shri Tangamani:** It is not there in the printed Order Paper. Generally 24 hours' notice is given whenever a motion is put, so that we will get an opportunity to table amendments, if necessary.

**Mr. Speaker:** Very well; this will be taken up tomorrow. In the meanwhile, hon. Members may table any number of amendments.

**12.28 hrs.**

## NEWSPAPERS (PRICE AND PAGE) CONTINUANCE BILL*

**The Minister of Information and Broadcasting (Dr. Keskar):** I beg to move for leave to introduce a Bill to continue the Newspapers (Price and Page) Act, 1956.

**Mr. Speaker:** I shall put the motion to the House. (*Interruptions*). Order, order. Hon. Members must not stand or move while I am on my legs. I am afraid hon. Members are doing an injustice to themselves when they show disrespect to the House. We have no King or Queen in this country. This is the sovereign Parliament. We ourselves show disrespect and we take others outside to task for showing disrespect to us. I am really surprised at this.

Am I to file a complaint of breach of privilege against hon. Members here? When I get up, they ought not to get up. When I stand, they ought not to stand. When I speak, they ought not to speak. These are elementary rules. If we discard the rules of procedure and show scant courtesy, what is the meaning of taking some other editor to task? I cannot understand this. This is not the way in which hon. Members should behave. I have been trying to give the utmost importance to this House and every Member thereof. Collectively we are responsible for maintaining the respect of this House. Unless we show respect to ourselves, there is no chance of others outside respecting us, though we may take any number of proceedings against them. I appeal to hon. Members to observe decorum.

**Shri Braj Raj Singh** (Firozabad): It is the other party which breaks the rules.

**Mr. Speaker:** Order, order. The hon. Member need not be a public prosecutor for the others.

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*Published in the Gazette of India Extraordinary Part II—Section 2, dated 28-8-61.

[Mr. Speaker]

**The** questions is:

> "That leave be granted to introduce a Bill to continue the Newspapers (Price and Page) Act, 1956".

*The motion was adopted.*

**Dr. Keskar:** I introduce the Bill.

**12.30 hrs.**

## INDUSTRIAL (DEVELOPMENT AND REGULATION) AMENDMENT BILL*.

**The Minister of Industry (Shri Manubhai Shah):** Sir, I beg to move for leave to introduce a Bill further to amend the Industrial (Development and Regulation) Act, 1951.

**Mr. Speaker:** The question is:

> "That leave be granted to introduce a Bill further to amend the Industrial (Development and Regulation) Act, 1951."

*The motion was adopted.*

**Shri Manubhai Shah:** Sir, I introduce† the Bill.

**12.31 hrs.**

## INCOME-TAX BILL, 1961—Contd.

**Mr. Speaker:** The House will now proceed with further clause-by-clause consideration of the Bill to consolidate and amend the law relating to income-tax and super-tax, as reported by the Select Committee. Time allotted is ten hours out of which 8 hours 10 minutes have already been taken. The time left is one hour and 50 minutes.

**Shri Braj Raj Singh** (Firozabad): Sir, I would like to suggest one thing. Immediately after this item the motion on the flood situation may be taken up because there have been widespread floods all over the country. I suggest that that motion may be taken up at least at 3.30.

**Mr. Speaker:** We have put it down for 4.00 P.M. There are Supplementary Demands for Grants. They have to be passed. Let us see.

**Shri S. M. Banerjee** (Kanpur): About the flood situation, Sir, the other day you were kind enough to say that we may sit on another day for an hour or two.

**Mr. Speaker:** If it is necessary. Let us see.

**Shrimati Parvathi Krishnan** (Coimbatore): We must have at least four hours for this discussion.

**Shri M. R. Masani** (Ranchi-East): How much time did you say, Sir, was left for the clause-by-clause consideration of the Income-tax Bill?

**Mr. Speaker:** One hour and fifty minutes.

**Shri M. R. Masani:** If I may recall, Sir, three hours were allotted for clause-by-clause consideration of which only 45 minutes have been availed of. We are on clause 12. There are hundreds of clauses in the Bill. I am afraid, we need more time if we are to do justice to the measure.

**Mr. Speaker:** I find here that the total time allotted was ten hours out of which 8 hours and 10 minutes already been availed of and the balance is only 1 hour 50 minutes.

**Shri M. R. Masani:** Three hours were kept for the clause-by-clause consideration. That should not be diminished.

**Mr. Speaker:** More time was taken in the first reading. The time allotted was 7 hours.

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*Published in the Gazette of India Extraordinary Part II—Section 2, dated 28-8-1961.

†Introduced with the recommendation of the President.

**Shri Tangamani** (Madurai): For the first reading only 7 hours were allotted. We have exceeded that by one hour.

**Mr. Speaker:** That is why out of the total time allotted—ten hours—8 hours 10 minutes have already been taken for the general consideration and only one hour and 50 minutes remain.

**Shri Amjad Ali** (Dhubri): We can extend it.

**Mr. Speaker:** I will extend it by one hour. We will have three hours now. It is now 12.30. This should be over by 3.30. Then we will have some time left for the Supplementary Demands for Grants.

**Shri Naushir Bharucha** (East Khandesh): So far as the Supplementary Demands are concerned, Sir, the cut motions have not been circulated to anybody.

**Shri Tangamani:** The cut motion lists have been circulated.

**Mr. Speaker:** Shri Bharucha may get it in the meanwhile. Now let us proceed with clause 13. We have finished clause 12. What are the amendments to clause 13? I find there are some Government amendments.

**Clause 13**—(*Section 11 not to apply in certain cases*).

**The Minister of Finance (Shri Morarji Desai):** Sir, I beg to move:*

(i) Page 23, line 15,—

*omit* 'or religious". (48).

(ii) Page 23, line 29,—

*for* "*Explanation*" *substitute*—

"*Explanation* 1". (49).

(iii) Page 23,—

*after* line 32, *add*—

"*Explanation* 2.—A trust or institution created or established for the benefit of scheduled castes, backward classes, scheduled tribes or women and children shall not be deemed to be a trust or institution created or established for the benefit of a religious community or caste within the meaning of sub-clause (i) of clause (b) of this section.". (50).

I may point out, Sir, that I am moving amendment No. 50 deleting the word "race".

**Shri Naushir Bharucha:** Sir, I beg to move:*

(i) Page 23,—

*omit* lines 15 to 28. (22).

(ii) Page 23, lines 30 to 32,—

*omit* 'and for the purposes of section 13 "relative" also includes a lineal descendant of a brother or sister'. (25).

**Shri Nathwani** (Sorath): Sir, I beg to move:*

Page 23, line 18,—

*omit* "race". (46).

**Mr. Speaker:** The amendments are before the House. Shall I call the hon. Minister now or does he want to speak only in the end?

**Shri Morarji Desai:** In the end, Sir.

**Mr. Speaker:** So, these are the amendments before the House. Shri Nathwani—

**Shri Nathwani:** My amendment seeks to omit the word "race" from line 18.

**Mr. Speaker:** Is it being accepted by the hon. Minister?

**Shri Morarji Desai:** I accept it.

**Shri Nathwani:** So I need not dwell upon it.

**Shri Naushir Bharucha:** My amendment No. 22 seeks to omit lines 15 to

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*Amendments moved with the recommendation of the President.

**[Shri Naushir Bharucha.]**

28 from clause 13. My second amendment is a different one to which I shall refer later.

Clause 13 deals with application of sections 11 in certain cases. Section 11 relates to taxation on incomes of trusts where they remain unexpanded beyond 25 per cent. of the income of that trust. Clause 13 provides that nothing contained in section 11 shall operate so as to exclude from the total income of the previous year of the person in receipt thereof. The first part of that income relates to private religious properties. One has nothing to say about that. The second part is:

> "in the case of a trust or charitable or religious institution created or established after the commencement of this Act,"

In other words, Sir, those trusts which are regarded as having been created for the benefit of any particular community are sought to be excluded. In this connection, may I invite your attention to the fact that—of course, I understand that the word "race" is going to be deleted—the words "religious community" are also there so far as the existing Act is concerned. When I spoke on clause 11 I pointed out the various difficulties arising; namely, that if there is a trust which is for educational purposes and if only a the education of a particular community or caste is being encouraged thereby, I personally would not say that it is communal in that derogatory sense of the word. As I pointed out before, in clause 10, sub-clause 22, universities and other educational institutions existing solely for educational purposes and not for purposes of profit have been excluded. This sub-clause does not refer to any communal purpose or anything else. It totally exempts from income-tax the income of a university or other educational institution which does not exist for purposes of profit. Then I ask, Sir, what is the charm in saying that in one cost we exempt, but so far as clause 13 is concerned we shall not do so? My submission is that the two are contradictory.

Again, if you see sub-clause (b)(2) of clause 13, there it is provided that if a part of the income ensures directly or indirectly for the benefit of the author of the trust, then again he does not get the benefit of clause 11. My submission, again, here is—what I pointed out before—that there are numerous trusts where the donor donates a building for charitable purposes but chooses to reserve a flat or two which may go to his poor relatives. In that case it may be stated that there is an interest retained by the settler notwithstanding the fact that substantially he has donated the building for charitable purposes. There also, difficulties will arise, I submit, because it does often happen that even if their is a cosmopolitan charitable institution, the settlor prefers to keep a flat for himself or his relatives. I gave the other day instances where colleges are established by philanthropic individuals for the benefit of all communities. What happens is that they retain the right of nomination for admission of one or two seats for the benefit of their relatives. In all such cases clause 13 would operate. So, my submission is that lines 15 to 28, which deal with clause 13(b), should be deleted.

With regard to my amendment No. 25, that deals with the word "relative". The definition seems to have been extended in the Select Committee and "relative" now also includes any lineal discendant of a brother or sister. That would bring the definition very nearly to the definition of "relative" in the Companies Act, where 50 to 60 relatives have been prescribed. I think that the slightest advantage taken by a remote to distant relative, if he comes under this Explanation, would render the entire income of the trust subject to taxation, which is very hard. I, therefore, submit that this clause requires modification in this direction.

**Shri Nathwani**: I want to oppose the amendment moved by Shri Bharucha. May I say a word?

**Mr. Speaker:** I cannot allow him an opporunity. That is why I called all the amendments together. I have given up the practice of asking an hon. Member to stand up, move his amendment and speak then and there.

**Shri Morarji Desai:** He is opposing the amendment.

**Mr. Speaker:** He had an opportunity for doing that when I called him. Then I had indicated all the amendments that were moved. Therefore, he must have anticipated this amendment.

**Shri Nathwani:** Unless I am called after the amendment has been moved by the hon. Member, how can I speak against it?

**Mr. Speaker:** I am sorry I cannot give an opportunity now. They cannot have a double chance. That is why I call the hon. Minister in the end.

**Shri Morarji Desai:** I have accepted the amendment moved by my hon. friend, Shri Nathwani. I oppose the amendments moved by my hon. friend, Shri Bharucha, for the valid reasons that these changes have been deliberately made by the Select Committee. They have also given the reasons for the change. If we want this country not to remain permanently divided into sections and communities and that we get integrated, it is necessary to see that for charity at any rate there should not be these sectional charities and even if they are there, Government ought not to support it. Therefore, what has been done is that we have taken away the exemption from income-tax. We do not prevent them from doing it, if they want to do so. But, public money cannot be used for the benefit of particular communities. It is on the basis of this theory that this provision has been made in the Bill. I, therefore, oppose the amendments.

**Shri Tyagi** (Dehra Dun): Will the hon. Minister throw some light on the position with regard to charities which are meant for the purpose of building temples, mosques etc. which are places of worship? What is his view about those charities?

**Shri Morarji Desai**: As far as temples, churches or mosques are concerned, they are not debarred from getting it.

**Shri M. R. Masani:** Where are they exempted?

**Shri Morarji Desai:** They are exempted.

**Shri M. R. Masani:** Where?

**Shri Morarji Desai:** I will point out later on. If they are not provided, I will provide now. It is not use asking a question just now. I will show you then.

**Shri M. R. Masani:** It is not there.

**Shri Morarji Desai:** He can move an amendment, if he thinks it is not there.

**Shri M. R. Masani:** Let him satisfy Shri Tyagi as to the amendment of the clause.

**Shri Morarji Desai**: Shri Tyagi is satisfied.

**Shri Naushir Bharucha**: This clause deals with religious institutions.

**Mr. Speaker:** I do not know if hon. Members are trying to gain a point. First of all, why not wait till the hon. Minister gives an assurance? They want to go a little further, making interjections and preventing him from proceeding further.

**Shri Morarji Desai:** I am saying that I have moved an amendment for this purpose.

**Shri M. R. Masani:** Which is that amendment?

**Shri Morarji Desai:** Amendment No. 48, by which I am taking away the word "religious", which he does not realise. It is for this very purpose that I am taking away the word "religious" in that context, because, in the case of temples or churches which receive charity this can never be done. We can never say that everybody should be allowed in every temple, church or mosque. Therefore, this clause has got to be amended for that purpose. That has been done.

**Shri Tyagi:** I only wanted a clarification so that there may not be any misunderstanding.

**Mr. Speaker:** He has done that.

**Shri Morarji Desai:** It is for this purpose that the amendment has been moved. I hope my hon. friend is satisfied.

**Shri M. R. Masani:** Yes, Sir.

**Shri Morarji Desai:** If they have a little patience.....

**Shri M. R. Masani:** We have asked him to reassure us on this point so that there may not be any trouble later on.

**Shri Morarji Desai:** When I have moved my amendment, where is the question of any trouble arising later on?

Amendment No. 49 does not require any explanation, because it only says that for "Explanation" the words "Explanation I" should be substituted.

By amendment No. 50, I have inserted another Explanation, which reads as follows:

> "A trust or institution created or established for the benefit of Scheduled Castes, backward classes, Scheduled Tribes or women and children shall not be deemed to be a trust or institution created or established for the benefit of a religious community or caste within the meaning of sub-clause (i) of clause (b) of this section."

**Shri Nathwani:** In this amendment No. 50, which has now been read out, the word "race" will have to be omitted.

**Shri Morarji Desai:** I have omitted it.

**Mr. Speaker:** He must ask the permission of the House to delete that word.

**Shri Morarji Desai:** I have read the amendment after omitting the word "race".

**Mr. Speaker:** I want to know for the purpose of record whether he is modifying the amendment which he originally tabled?

**Shri Morarji Desai:** That is what I have stated. The amendment which I have given notice of should be changed into what I have just now read.

**Shri Naushir Bharucha:** I would like to know what is happening to the amendment of Shri Nathwani, by which the word "race" has to be ommitted?

**Shri Morarji Desai:** That word has been omitted. I said it twice, not once.

**Mr. Speaker:** The question is:

Page 23, line 15.—

*omit* "or religious". (48).

Page 23, line 29.—

*for* "Explanation" *Substitute* "Explanation I". (49).

Page 23,—

*after* line 32, *add*—

"*Explanation* 2.—A trust or institution created or established for the benefit of scheduled castes backward classes, scheduled tribes or women and children shall not be deemed to be a trust or institution created or established for the benefit of a religious community or caste within the meaning of sub-clause (i) of clause (b) of this section." (50).

*The motion was adopted.*

**Mr. Speaker:** The question is:
page 23, line 18, omit "race," (46).

*The motion was adopted.*

**Mr. Speaker:** Is Shri Bharucha pressing his amendment Nos. 23 and 25?

**Shri Naushir Bharucha:** They may be decided by voice vote.

**Shri Morarji Desai:** In any case, he has already moved them.

**Mr. Speaker:** Even if the hon. Member moves an amendment, if he does not press it, I would not put it to the House. That has been the convention. It is taken as withdrawn and it may not be necessary to take the leave of the House, as this is a small matter; I need not do so. In this case, he wants me to put them to the vote of the House.

*Amendments Nos. 22 and 25 were put and negatived.*

**Mr. Speaker:** The question is:

"That clause 13, as amended, stand part of the Bill".

*The motion was adopted.*

*Clause 13, as amended, was added to the Bill.*

**Mr. Speaker:** There are no amendments to clauses 14 to 16.

The question is:

"That clauses 14 to 16 stand part of the Bill."

*The motion was adopted*

*Clauses 14 to 16 were added to the Bill.*

*Clause 17—("Salary", "perquisite" and "profits in lieu of salary" defined.)*

**Shri Amjad Ali (Dhubri):** Sir, I beg to move:

Page 26,—

*after* line 20, *add*—

"Provided that any sums payable by the employer through a gratuity fund trust which satisfies the conditions laid down in clause 3, part C of Fourth schedule to effect gratuity Assurance scheme with the Life Insurance Corporation of India will not be treated as the perquisite of the employees." (93).

My point in moving this amendment is that gratuity which is obtained in bulk is made tax-free under clause 10 (10). Now all other perquisites are given but if a trust fund is created in the hands of the trustees and they want to go in for investing the same in the Life Insurance Corporation it is denied to them. As a matter of fact, the bulk is exempt under clause 10(10), but when you come to individual cases, or for the matter of that, when they go also to the group scheme, this is denied to them.

I shall also refer to part C, clause 3, which says:

"In order that a gratuity fund may receive and retain approval, it shall satisfy the conditions set out below and any other conditions which the Board may, by rules, prescribe—

(a) the fund shall be a fund established under an irrevocable trust in connection with a trade or undertaking carried on in India, and not less than ninety per cent. of the employees shall be employed in India;

"(b) the fund shall have for its sole purpose the provision of a gratuity to employees in the trade or undertaking on their retirement at or after a specified age or on their becoming incapacitated prior to such retirement or on termination of their employment after a minimum period of service specified in the rules of the fund or to the widows, children or dependents of such employees on their death;

(c) the employer in the trade or undertaking shall be a contributor to the fund; and

[**Shri Abid Ali**]

(d) all benefits granted by the fund shall be payable only in India."

The employer in the trade or undertaking is under an obligation to create a trust. If it is invested in the Life Insurance Corporation, premia have got to be paid. That person is going to be taxed under this. May fear as that to that extent the employees will be hit. So that should also be made tax-free. You are going to make the bulk free to the extent of Rs. 24,000 in a lump sum or 15 months' salery, whichever is less, but when it is given annually it is going to be taxed. So, my contention is that should also be made tax-free.

**Shri Prabhat Kar** (Hooghly): I have failed to understand exactly what Shri Amjad Ali wants to say. The point is that for gratuity a trust fund will have to be created and out of that gratuity will be paid to the employees. Now what has been done is that that particular sum which an employee receives as gratuity after retirement in a particular years has been exempted from income-tax liability. The gratuity fund will be created by the company. Because the fund is being created by the company and is being kept by the company, it may be invested in Government securities or anything. Out of that income-tax and other things will be deducted at source and other facilities will be given. Because the bulk which is given to the employee concerned will come under a particular year's income, it has been exempted. I have failed to understand the question of exempting the premia. Gratuity will have to be paid either it is through the help of the LIC or of the trust fund. Whenever it is paid to the employee in a particular year, that particular sum will be exempted from being computed as a part of the income.

**Mr Speaker:** He wants to know what is the need. It is part of gratuity. To whomsoever it s paid, it is paid on behalf of the employer.

**Shri Morarji Desai:** I will explain it and he will be satisfied.

**Shri Amjad Ali:** It is given only either according to a group scheme or to individual employees.

**Shri Anirudh Sinha** (Madhubani): The point is that payment made by way of gratuity is not subject to income tax to the extent of Rs. 24,000 or 15 months' salary, whichever is less. The new scheme which has been evolved by the LIC under which employers create a trust fund and pay premium out of that is proving very popular with a large part of employers, Now suppose a man who draws a salary of Rs. 1,500/- a month and on behalf of that man also some contribution is made to the trust fund to be paid ultimately to the LIC for securing a master policy for the payment of gratuity in the long run. That amount of premium for that individual will be added to his salary and that will be a perquisite for that individual employee and under the provisions of income-tax he will be subject to income-tax to that extent for determination of rates and other things.

**Shri Morarji Desai:** There is an apprehension in the mind of my hon. friend that the amounts mentioned by him will be covered by this clause. That is not right. There is no ground for a fear, because sub-clause (v) is applicable only to any payment to effect an assurance on the life of the assessee or to effect a contract for an annuity. Gratuity is a lump sum payment payable on retirement of an individual. If a group gratuity assurance scheme does not involve effecting an assurance on the life of the assessee or payment of an annuity, the matter will be completely outside the scope of clause 17(2)(v). No amendment, therefore, as proposed is necessary.

**Mr. Speaker:** Need I put this amendment to the vote of the House? The hon. Minister feels that there is no need for this.

**Shri Amjad Ali:** Yes. It may be lost by a voice vote.

*The amendment (No. 93) was put and negatived.*

**13 hrs.**

**Mr. Speaker:** To clause 18 and 22 also, there are no amendments. I will put all these clauses together.

The question is:

"That clauses 17 to 22 stand part of the Bill."

*The motion was adopted.*

*Clauses 17 to 22 were added to the Bill.*

**Mr. Speaker:** Clause 23.

**Shri M. R. Masani:** I am not moving the amendment.

**Mr. Speaker:** To clauses 24 to 31 also there are no amendments.

The question is:

"That clauses 23 to 31 stand part of the Bill."

*The motion was adopted.*

*Clauses 23 to 31 were added to the Bill.*

**Clause 32**—(Depreciation.)

**Shri M. R. Masani:** I beg to move*:

Page 33, lines 1 and 2—*after* "buildings, machinery, plant or furniture" wherever they occur, *insert*—"mines, quarries, patents and copyrights". (27).

**Shri Somani** (Dausa): I beg to move*:

(i) Page 33, line 11, *after* "be prescribed" *add*

"and in respect of buildings newly erected or of machinery or plant being new which has been installed, a further sum (which shall be deductible in determining the written down value) equal to the amount admissible under this clause exclusive of the extra-allowance for double or multiple shift working of the machinery or plant in not more than five successive assessments for the financial years next following the previous year in which such buildings are erected and such machinery and plant installed in such areas as may be notified from time to time by the Government". (55).

(ii) Page 34, *after* line 14, *insert* –

"(3) Where an assessee carries on a trade which consists of or includes the working of any mine, oil well or other source of mineral deposits of a wasting nature and incurs for purposes of the trade any expenditure of a capital nature, depreciation and depletion allowances at such rates as may be prescribed in that behalf shall be allowed in respect of such expenditure." (56).

**Mr. Speaker:** Let there be no demand that any hon. Member wants to refute the argument of another hon. Member. Whichever hon. Member speaks will speak on all the amendments.

**Shri M. R. Masani:** Mr. Speaker, my amendment No. 27 seeks to add on page 33 in the second line after the words "buildings, machinery, plant or furniture", the words "quarries, patents and copyrights". This clause provides for depreciation being allowed. It allows only in respect of certain forms of property which are mentioned in the clause such as buildings, machinery, plant or furniture. There are other forms of property which are as valuable and where depreciation is as relevant as in the case of quarries or mines which are also wasting assets. The Taxation Enquiry Commission has strongly recommended that depreciation allowance should be given in

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*Amendments moved with the recommendation of the President.

[Shri M. R. Masani.]

respect of mines and quarries. It is a matter for regret that the Bill does not embody that recommendation of the Taxation Enquiry Commission. What I am suggesting is that this reasonable provision be extended to other forms of property where it is very necessary. There has been a judgment of the Supreme Court recently in the Punjab case which shows the need for such an amendment. I commend it for acceptance.

**Shri Somani:** Mr. Speaker, I have suggested an amendment to reintroduce additional depreciation for certain areas which may be declared to be eligible for this additional depreciation. My submission is that the plan envisages balanced development of all regions in country. That is one of the major objectives of our Plan. From whatever analysis has been made so far about the progress of industrialisation both in the public sector and the private sector, it appears that we are moving rather in the reverse direction and industrialisation in the backward areas is not keeping pace with the progress that is being made in some advanced areas of our country. I am not asking for something new which was not there. Additional depreciation was available to all the industries up to 1959. That concession was not renewed and was allowed to lapse by the Finance Minister. What I am seeking to submit is that the additional depreciation allowance which was allowable to all industries in the country up to 1959 should now form part of the amended Income-tax Act so as to attract investments form advanced areas to those areas where we want our industries to develop. A major objective of the Plan is to accelerate the pace of industrialisation in those areas.

Another thing is, by this amendment the Government does not lose any revenue. After all, depreciation is permitted up to 100 per cent of the value of the fixed assets. It is just a concession by way of deferred liability of the taxpayer. I think this is something concrete which might go to some extent to divert investments from other areas to areas where we have to develop at a faster pace. I think, therefore, this amendment which is of rather a small character, which does not involve any loss of revenue, which had been there up to 1959 should be accepted for being made applicable to these areas. It may be argued that our whole country is almost in a neglected state and perhaps a major portion of country may be eligible to this concession. There is no harm. The advanced areas, Bombay, Calcutta, Madras and Kanpur may be exempted. If this allowance is made available to all the other States expect the very advanced areas, the Government is not going to make any sacrifice of revenue. At the same, you are doing something to achieve the objective which you have in view.

**Shri Morarji Desai:** As regards the amendment of Shri M. R. Masani, may I say that the provision of such depreciation for mines, quarries, oil wells, patents and copyrights, as he has suggested, is not warranted in view of the facts that obtain. As regards mines, under the present policy, consideration for mining rights is not payable in a lump sum. It is payable in the form of royalty. Royalty is also eligible for deduction in computing the taxable income of a business. Therefore, that is already provided for. There is no question of providing depreciation allowance for mines. As regards patents also, the cost of acquiring patent rights is already allowed against a person's profits to be spread over a certain number of years. Therefore, there is no question of any depreciation allowance for patent rights. In the case of mineral oils, depletion allowance is allowed in clause 42 in cases where the Central Government participates in the venture. There will be no other ventures. Therefore, there is no question of providing depreciation allowance.

**Shri M. R. Masani:** What is a pity?

**Shri Morarji Desai:** There is no pity about it. What a fortunate thing I might say. Therefore, this amendment is not accepted.

As regards the amendment of Shri Somani, it is just trying to revive the old additial depreciation allowance which for reasons given has been deliberately not allowed. This is not the method of allowing it. It is more or less a thing which may be considered only at the time of the Budget and not a thing which can be considered in a permanent Act like this. The Government, at present, sees no reason to allow these additional depreciation allowances in view of the fact that the depreciation allowance now allowed and the development rebate are liberal. After allowing these things, no more additional depreciation allowance is necessary. As regards areas for which he wants differential treatment—the less developed areas—the plans of the Government are framed with a view that extra advantage is given to the less developed areas so that they develop better Therefore, this form of incentive is not necessary. That sort of discrimination of different areas in taxation will not be a healthy thing and will not be proper. If this is granted, the next argument can be that, in giving more benefits to the less developed areas, you are taking away benefits from the developed areas. All this will not be proper at all. I, therefore, oppose the amendments of Shri Somani also.

**Mr. Speaker:** The question is:

> Page 33, lines 1 and 2 *after* "buildings, machinery, plant or furniture" wherever they occur, *insert* "mines, quarries, patents and copyrights". (27).

*The motion was negatived.*

**Shri Somani:** I do not press my amendments.

*Amendments* Nos. 55 *and* 56 *were by leave withdrawn*

**Mr. Speaker:** The question is:

> "That clause 32 stand part of the Bill."

*The motion was adopted.*

*Clause 32 was added to the Bill.*

**Clause 33**—(*Development rebate*)

**Shri M. R. Masani:** I beg to move*:

(i) Page 35, lines 38 to 42, *for*

> "Where in a scheme of amalgamation, a company (hereinafter in this sub-section referred to as the predecessor) sells or otherwise transfers to the company formed in pursuance of the predecessor's amalgamation with that company (hereinafter in this sub-section referred to as the successor)" *substitute*—

> "Where upon a succession to a business as a going concern, an assessee (hereinafter in this sub-section referred to as the predecessor) sells or otherwise transfers to another assessee (hereinafter in this sub-section referred to as the successor)". (28)

(ii) Page 36, *omit* lines 21 to 44. (29).

(iii) Page 37, *omit* lines 1 to 15. (30).

**Shri Somani:** I beg to move:*

Page 37, *after* line 5, *insert*—

> "Where the business of a Hindu Undivided Family is succeeded to by the members of the family on a partition or by a firm of which the members are partners or by a company of which the members are shareholders. the provisions of clauses (a) and (b) of sub-section (3) shall so far as the case may be apply to the said individuals, firm or company." (57).

**Shri M. R. Masani:** The purport of the three amendments is to rationlise something that seems to be a little irrational here in regard to transferring of assets and the application of the development rebate. As the clause now stands, where a company merges with another company or when a firm is succeeded by a private limited company, the benefit of the development rebate of that concern is passed on to the successor. But, for some reason that I have not been able to understand, when the succession is from an individual *entrepreneur* or a joint family or a partnership that transfers the concern as a going concern to another party, the benefit of the development rebate lapses, and it is taken back; the relief is taken back for no reason that is justifiable.

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*Amendments moved with the recommendation of the President.

As I understand it, the correct position would be that any going concern, when it changes hands, should not lose the benefit of this development rebate, because the country benefits from it, whoever happens to have it in his hands at the time being.

The purport of these amendments taken together would be that they would allow the rebate to continue in all cases of succession to a business as a going concern.

**13·11 hrs.**

[SHRI JAGANATHA RAO *in the Chair*]

**Shri Jhunjhunwala:** I have also tabled an amendment regarding joint family; just as my hon. friend Shri M. R. Masani has said, where a Hindu undivded family is succeeded to by a firm or a company, then, the advantage of the rebate should go to them also. I support what Shri M. R. Masani has said.

**Shri Somani:** I have no new arguments to advance.

**Shri Moraji Desai:** These things were considered in the Select Committee, and it was the deliberate opinion of the Select Committee that this should not be allowed.

**Shri M. R. Masani:** That is no answer.

**Shri Morarji Desai:** The answer is that the main object of this is likely to be misused. Why should anybody be given some benefit and why should he transfer it to others and take away money from other people and benefit by himself at the cost of Government? That is what will happen if these amendments are accepted. Therefore, it is only in certain circumstances where it is not likely to be misused that this concession has been allowed.

As a matter of fact, when this development rebate was first given, there was no question of allowing it to be passed on to the successor. It was only afterwards that in legitimate cases we said that it should be allowed to be passed on, because it was not the desire of Government that it should not be allowed to be passed on in legitimate cases. But we do not want to open the gates of help in this matter

**Mr. Chairman:** Shall I put Shri M. R. Masani's amendments to vote?

**Shri M. R. Masani:** Yes, the hon. Minister has given a most unsatisfactory reply.

**Mr. Chairman:** I shall now put amendments Nos. 28, 29 and 30 to the vote of the House.

*Amendments Nos. 28, 29 and 30 were put and negatived.*

**Mr. Chairman:** Does Shri Somani want to press his amendments?

**Shri Somani:** No, I am not pressing them.

*Amendment No. 57 by leave withdrawn.*

**Mr. Chairman:** The question is:

"That clause 33 stand part of the Bill".

*The motion was adopted.*

*Clause 33 was added to the Bill.*

*Clauses 34 to 40 were added to the Bill".*

**Clause 41**—(*Profits chargeable to tax*)

**Shri Morarka** (Jhunjhunu): At page 47, in clause 41, the Explanation to sub-clause (4) reads thus:

> "The expression 'moneys payable' in sub-section (2) and the expression 'sold' in sub-sections (2) and (3) shall have the same meanings as in sub-section (1) of section 32.".

I want that the words 'in sub-section 2' occurring first time be deleted, because the expression 'moneys payable' occurs in both sub-clause (2) and also in the Explanation to sub-clause (3). So I think that by oversight this drafting mistake has been left out. If we omit these words 'in sub-section (2)', the purpose would be served, and the Explanation under sub-clause (4) would read better, and that will be the real intention of the sub-clause also. So, I hope the hon. Minister will accept this drafting suggestion.

I beg to move:

Page 47, lines 22 and 23, *omit* 'in sub-section (2)'. (97)

**Mr. Chairman:** The amendment is before the House.

**Shri Morarji Desai:** How does it harm the clause? I do not understand. At the most, it is only redundant. I do not want to have a hasty decision on this, and, therefore, I cannot accept this amendment. It does not harm the clause in any way, if these words remain. After all, these words may only be redundant.

**Shri Nathwani:** It may lead to misunderstanding, namely that the expression 'moneys payable' in sub-clause (3) may mean something different there.

**Shri Morarji Desai:** Which are the words which my hon. freind wants to delete?

**Shri Morarka:** The words 'in sub-section (2)' in lines 22 to 23 at page 47.

**Shri Morarji Desai:** He wants to omit only these words and nothing else?

**Shri Nathwani:** Only these words.

**Shri Morarji Desai:** Then, I accept it.

**Shri Nathwani:** These words have came in, because the Explanation was added later on.

**Mr Chairman:** The question is

"Page 47, lines 22 and 23, *omit* 'in sub-section (2)'. (97).

*The motion was adopted.*

**Mr. Chairman:** The question is:

That clause 41, as amended, stand part of the Bill".

*The motion was adopted.*

*Clause 41, as amended, was added to the Bill.*

*Clause 42 was added to the Bill.*

**Clause 43**— *Definitions of certain terms relevant to income from profits and gains of business or profession*)

**Shri Somani:** I want some clarification in regard to this particular clause.

I have tabled two amendments to this clause, namely amendments No. 58 and 59. I beg to move:*

(i) Page 50, line 35, *after* 'price fluctuations' *insert* 'Whether the contract is in respect of the same stocks and shares he holds or otherwise." (58).

(ii) Page 51, *after* line 6, *insert*:

> "Provided further that as regards hedging in raw materials or in stocks and shares, the Income-tax Officer shall not be particular about the quantities and timing so long as the transactions constitute genuine hedging.' (59)

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*Amendments moved with the recommendation of the President.

[Shri Somani.]

Sub-clause (5)(b) of this clause reads thus:

> "A contract in respect of stocks and shares entered into by a dealer or investor therein to guard against loss in his holdings of stocks and shares through price fluctuations."

I want to add the words 'whether the contract is in respect of the same stocks and shares he holds or otherwise.' In other words, the dealer or the investor should be at liberty to hedge against his holdings in any of his shares which he chooses.

I think there is some ambiguity in this provision as it stands, and this may be made clear.

**Shri Morarji Desai**: The hon. Member proposes that a dealer in stocks and shares should be allowed to enter into hedging transactions on scrips outside his holdings. That is pure speculation. Hedging in stocks and shares held by him is allowed. That is not considered speculative business. But what the hon. Member is suggesting is pure peculative business. I do not know how it can be allowed. I oppose these amendments.

**Mr. Chairman**: Is the hon. Member pressing his amendments?

**Shri Somani**: No. I am not pressing them.

**Mr. Chairman**: The question is:

"That clause 43 stand part of the Bill".

*The motion was adopted*

*Clause 43 was added to the Bill*

*Clauses 44 and 45 were added to the Bill*

**Mr. Chairman**: There is an amendment to clause 46, namely amendment No. 60, in the name of Shri Somani.

**Shri Somani**: I am not moving it.

**Mr. Chairman**: The question is:

"That clauses 46 to 48 stand part of the Bill".

*The motion was adopted*

*Clauses 46 to 48 were added to the Bill*

**Clause 49**—(*Cost with reference to certain modes of acquisition*).

*Amendment made*: *

Page 53, (i) line 19, *after* 'trust,' *insert* 'or'; and (ii) *after* line 19, *insert*:—

> "(e) under any such transfer as is referred to in clause (iv) of section 47.". (4)

(*Shri Morarji Desai*)

**Mr. Chairman**: The question is:

"That clause 49, as amended stand part of the Bill".

*The motion was adopted*

*Clause 49, as amended, was added to the Bill.*

*Clauses 50 to 53 were added to the Bill*

**Clause 54**—(*Profit on sale of property used for residences*).

*Amendment made*: *

Page 55, *for* lines 3 to 9, *substitute*—

> "(i) if the amount of the capital gain is greater than the cost of the new asset, the difference between the amount of the capital gain and the cost of the new asset shall be charged under section 45 as the income of the previous year; and for the purpose of computing in respect of the new asset any capital gain arising from its transfer within a period of thre years of it purchase or construction, as the case may be, the cost shall be nil; or

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*Amendments moved with the recommendation of the President.

(ii) if the amount of the capital gain is equal to or less than the cost of the new asset, the capital gain shall not be charged under section 45; and for the purpose of computing in respect of the new asset any capital gain arising from its transfer within a period of three years of its purchase or construction, as the case may be, the cost shall be reduced by the amount of the capital gain". (5)

(*Shri Morarji Desai*)

**Shri Morarji Desai**: According to the provisions of this clause, any capital gain arising on the sale of a house property used as a residence by the assessee himself or by a parent of his for the two years immediately preceding the sale shall not be taxed if the entire amount is of the capital gain is reinvested in the purchase of a new property within a year before or after the sale. At the Select Committee stage, this benefit has been extended to constructions of new property within a period of two years after the date of sale. The basic intention is to encourage investment in new properties. But it is possible, as the provisions stand in the Bill, for a person to misuse this concession by selling the new property with a shore period of construction or its purchase. Thus if a property wirth Rs. 1,00,000 is sold for, say, Rs. 1,50,000: the capital gain namely Rs. 50,000 will not be subject to tax if within the period of two years a house is constructed for Rs. 50,000. If this house is thereafter sold for Rs. 50,000 the assessee will have been able actually to realise Rs. 1,50,000 without-paying any capital gains tax at all. It is to meet such a situation that this amendment has ben made.

**Mr. Chairman**: The question is:

"That clause 54, as amended, stand part of the Bill".

*The motion was adopted*

*Clause 54 as amended, was added to the Bill.*

*Clauses 55 to 61 were added to the Bill.*

**Clause 62**—(*Transfer irrevocable for a specified period*)

**Shri Naushir Bharucha**: I beg to move:*

Page 59, line 1,—*omit* "made before the first day of April, 1961".(31)

I shall briefly explain the implication of my amendment. Clause 61 provides that incomes arising to any person by virtue of a revocable transfer of assets shall be chargeable to income-tax as the income of the transferor. Clause 62 says that this shall not be the rule in certain cases, e.g., where the trust provides that the assets have been transferred and are irrevocable during the lifetime of the settlor or where the assets are irrevocable during the lifetime of the transferee. Then it also provides for another category, namely, a trust made before the 1st day of April 1961 which is not revocable for a period exceeding six years. My amendment relates to this. As it is, if I have made a trust already before April 1961 and if I provide that for a period of six years the amount that I am setting aside for this particular charitable purpose—that trust—shall be irrevocable for a period of six years, under the existing Act I am not liable to be taxed. As it is provided here, if I make a trust hereafter, that is after April 1961, and say that it shall not be revocable for a period of six years, still I have to pay tax. My submission is that no distinction should really be made in cases where the period of irrevocability is six years, because often it happens that before the settlor commits himself finally to particular plan of charity, he wants to test out in actual practice how his trust plan will work. Therefore, first he creates a trust which is irrevocable for six yearr, which means that he is very serious in giving money to charity. There is no doubt about it. Then he examines the operation of that trust

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*Amendment made with the recommendation of the President.

[Shri Naushir Bharucha.]

in actual practice when he finds that certain clauses require to be changed. So at the end of six years he modifies them and then finally makes the trust irrevocable.

Therefore, there is nothing particularly wrong if we give a settlor the opportunity to examine the working of a particular trust or charity for a period of six years during which he definitely says that nothing will acrue to him. After six years, supposing he revokes the trust, certainly he will be charged tax. For the period of six years the income of the trust will have been utilised, we have been providing for this also, so that there is no scope for saying that a settlor might make it *nam-ke-vaste* irrevocable for six years, because then he has got to pay the tax. What is the charm in denying to the settlor the opportunity to examine the working of the trust, and in the light of such examination modify the trust before making it permanently irrevocable?

I submit that this clause will stand very much in the way of people wanting to make trusts permanently irrevocable. I therefore propose that these words 'made before the first day of April 1961' be deleted, meaning thereby that whether a trust is created before or after April 1961, if it is irrevocable for six years, it must have the benefit of tax exemption.

**Shri Morarji Desai:** We have not touched the existing trusts only because we do not want to affect them. Really speaking, I should touch them also, because this provision has enabled many people with high incomes to evade taxation by making such trusts even for near relatives. To plug that loophole this provision has been made for future trusts. It was only a concession that it has remained applicable to the existing trusts. I cannot open it further. I oppose the amendment.

**Mr. Chairman:** I shall now put amendment No. 31 to the vote of the House.

*Amendment No. 31 was put and negatived.*

**Mr. Chairman:** The question is:

"That clause 62 stand part of the Bill'.

*The motion was adopted.*

*Clause 62 was added to the Bill*

*Clauses 63 to 86 were added to the Bill*

**Clause 87**— *Rebate on life insurance premia, annuities and contributions to provident fund etc.*

**Shri M. R. Masani:** I beg to move:*

(i) Page 70, lines 27 and 28,—*omit* "chargeable to tax". (32)

(ii) Page 71, line 1,—*omit* "chargeable to tax". (33)

Both these amendments have a common purpose, that is, to delete the words 'chargeable to tax' occurring on pages 70 and 71, which, Members will have noticed, have been inserted in the Select Committee. This is definitely a step backward. There is no reason whatsoever why, when rebates are given on insurance premia, it should be insisted that that premium should come out of the taxable income of the previous year or that year. It does not matter where it comes from. It is a desirable purpose. Whether it comes out of a gift or an earlier year's income or capital accumulated by a man, it stands to reason that that exemption or relief should be there in favour of the premium on an insurance policy. I believe that these words being added is not only unsound in principle, but, would cause great hardship in respect of premia that might be paid on the first or second day of the new financial year, when a man might be told; you did not pay it out of this year's income but last year's income.

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*Amendments moved with the re-commendation of the President.

therefore, we will not give you relief. Therefore, they are quite unnecessary. They have been unnecessarily added by the Select Committee, and I think the original clause should be restored.

**Shri Morarka:** The alternative provision in the Bill was total income. "Total" was deleted, and instead "chargeable to tax" has been introduced by the Select Committee. The principle is that a person would get the benefit only if he has an income which is chargeable to tax. It is not a question of getting any *ex-gratia* payment from the Government. The only thing is that he will have to pay less tax to the extent to which he pays insurance premium out of his income. Therefore, the Select Committee advisedly introduced the words "chargeable to tax" in place of total income subject to certain maximum limits. The hon. Member himself raised the point that the use of the words "total income" might create difficulty, though according to me it would not, but it is conceivable; hence, the words "chargeable to tax" have been deliberately used. They are not likely to create any difficulty now.

**Shri Morarji Desai:** I thank my hon. friend Shri Morarka for explaining it, but I would like to give an illustration, which was given at that time also. Many people contribute to the provident fund, and they are allowed to withdraw from the provident fund to pay insurance premia. When they are allowed to contribute to the provident fund that is exempted from income-tax, but when they withdraw from it to pay insurance premium, should that also be exempted? It would be a double advantage. How can that be done? Therefore, it must be chargeable to tax, otherwise there cannot be any exemption.

**Mr. Chairman:** Now I put amendments Nos. 32 and 33 to the vote of the House.

*Amendments Nos. 32 and 33 were put and negatived.*

**Mr. Chairman:** The question is:

"That Clause 87 stand part of the Bill".

*The motion was adopted.*

*Clause 87 was added to the Bill.*

**Clause 88**— (*Donations for charitable purposes*)

**Shri M. R Masani:** I beg to move*:

Page 72,—

*omit* lines 36 and 37. (35)

**Shri Naushir Bharucha:** I beg to move*:

Page 72,—

*omit* lines 30 to 37. (34)

**Shri Morarka:** I beg to move*:

Page 72, line 37,—

*omit* "race". (47)

**Shri M. R. Masani:** I do not wish to repeat the arguments which I have adduced earlier, and to which my hon. friend the Minister has already replied. Otherwise, we shall be endlessly spending the time of the House, which is already short.

This is, as it were, the second innings in this particular matter. It was discussed on an earlier clause, but I would like to take up the discussion where my hon. friend the Minister has left it.

On the issue of whether a man should be allowed to donate to a limited group of people within our country who might be demarcated as belonging to a particular religious community or caste, the issue is a clear one. I have argued earlier, and I repeat that argument, that it is the right of an Indian citizen to donate in charity to any group of people in this country. That the group of people happen to be near him by birth or religion or caste does not, in my mind, make his charity less charitable.

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*Amendment made with the recommendation of the President.

[**Shri M. R. Masani.**]

The issue surely should be: is this an act of charity or is it not? Is the intention of the donor charitable or a selfish one? You may not approve of the way he demarcates the recipients of his charity, but that opinion of yours should not be imposed on the man when his earnings and his income, which he proposes to donate, are distributed.

For some reason, our "secularism" takes us so far that we do not mind things that are restricted to categories of people who may belong to one vocation. If somebody makes a charitable trust for teachers or for carpenters or lawyers, then, of course, the law will say that is secular, it is not denominational, and therefore, it is a genuine charity. But if you demarcate people in any other way, by where they live, where they were born, or in which caste they happen to be born, that becomes objectionable.

This distinction I do not understand. Any sectarianism, whether of class or vocation or caste, is as bad as the sectarianism of those who preach class hatred. Class hatred is as anti-social as caste hatred or communal hatred. Yet, we forget our moorings and we have taken up an outlook on secularism that has led us into this irrational attitude and making this distinction.

Is it right that people should be penalised for donating their money, for being charitable in what my hon. friend and this Government consider a misguided way? I may even agree with him that it is not a very intelligent way of doing it, but surely the intelligence of the donor or the soundness of his principle is not what we are discussing. What we are discussing is: is it an act of charity or is it not?

I suggest that we are importing our political considerations and prejudices into a matter that should be discussed in a dispassionate manner.

The more important point that emerged from the earlier debate was this. The hon. Minister insists on saying that he is being asked to give away public moneys to donors of this category. This raises a very important issue, one that cannot be allowed to pass unchallenged. It is not public money, it is the money of the donor. He has earned it by his labour, he has earned it by his enterprise, or whatever the method. We presume it was legal, lawful and worthy. It is his money. Till you tax it, till the law levies a tax, it is his money. It is not public money. The hon. Minister has started by putting the thing on his head. He argues that any money that is not taxed is public money, how can he be asked to give it away to the donor? It is not so. A man's money is his own until the tax moves in. Therefore, anything that is exempted from taxation, anything that is in the nature of a rebate, is not public money that is being given away. It is money that should never be taxed in the first instance, because the Parliament of the country decides that it is not a thing that should be taxed. Therefore, all money that is not subject to taxation is the money of the private citizen, not of the Government.

**Shri Morarji Desai:** Agreed.

**Shri M. R. Masani:** I am glad he agrees with it, because his whole argument has been....

**Shri Morarji Desai:** This is a wrong way of putting it.

**Shri M. R. Masani:** As I understood it, the hon. Minister's argument when he was asked to give relief was: you are asking me to give away public moneys. He used the phrase this morning in reply to another hon. Member, and asked: why should I be asked to give away public moneys? They are not public moneys, they are private money.

This argument is discussed by Prof. Parkinson in his well-known book *The Law and the Profits*, and it may interest the Minister to know that he describes my hon. friend's contention as a Communist concept. And this Communist concept is that all money is that of the State unless the man is allowed to retain it. That is a completely wrong view. All money is the citizen's until the State moves in, in a restricted way. In other words, the only thing is to leave the man his money; the only thing is not to tax and then by *meherbani* return some money to him. This shows how good people, good democrats, are apt to slip under certain pressures into communist concepts without knowing what we are doing. If the hon. Minister was not sitting there, he would see the point much better than he is able to now!

Therefore, I want to lodge my caveat against this attitude of thinking that all money that is not taxed is a gift from the exchequer to the citizen. It is not so. Even an exemption, even a rebate, a refund, I say is the private citizen's money. I shall talk later about it when another clause comes before the House. Anything that the tax authorities have no right to take, or that the law does not enjoin, is and remains private property and the income and earnings of the private citizen. It is wrong to say: because I do not tax it, I give it back to you from the public exchequer. That is a misconception that I think we should avoid falling into.

**Shri Prabhat Kar:** I oppose this.

**Shri M. R. Masani:** Naturally. It is a communist concept. You have to defend it. Now I hope the hon. Minister is convinced.

**Shri Prabhat Kar:** Anything that is progressive is dubbed as Communist. That is the only thing. To those who take a reactionary view, anything that is progressive becomes Communist.

The point before the House is this. The hon. Member has said that everything belongs to the individual, and so the question of the Government giving it back to the individual does not arise.

Agreeing with that, let us start. What is the point? Government suggests the imposition of certain taxation. The point is that this should not be taxed. Last time he said that there should not be an attempt to import this political ideology; there should be no attempt to dogmatise. He said that it was just an attempt on the part of Government to force certain things which the general public did not accept.

Taxes are imposed on certain amounts of income. You decide that this will be the basis of income-tax. Now, when Government gives any relaxation it gives it because the Government thinks that a certain thing should be exempted because it is in favour of the community. If the trust is simply meant for a particular community, then, Government consider no relief should be given. Everyone has got an opportunity to make a trust whatsoever and also to use it in the manner he likes. The only point is that public revenue should also be paid. That is why this particular imposition.

The next point he mentioned was that it is a communistic way of thinking. When Government gives any relaxation to any individual or particular class of individuals or a corporate body it is because Government considers that it is necessary with a view to the development of the needs of the country. That is why relaxation is given. When you decide the minimum, anyone who earns over and above that will be taxed. Then you start giving relaxation. Government considers that whichever trust is beneficial to the country, not only beneficial to the country but also to the cause which the country advocates, that is secularism, must be given relaxation.

The question of going the communistic way is pure and simple, because he feels that if he should talk about communistic principles in that way, the Finance Minister would think over it. But I think the Finance Minister is intelligent enough not to fall into the trap of the Swantra Party leader, Shri Masani.

**Shri Amjad Ali:** I gave my reactions to this during the course of the general discussion. I have given my reaction to these particular words 'race' and 'caste'. It is very difficult to interpret what is race or creed or caste, what is the particular meaning attached to these. It is also very difficult for the Income-tax officers or for the assessees to go into. Because these words are put it will be very difficult to administer. The Income-tax officer will have very great difficulties to know what is race.

**Shri Morarji Desai:** I am accepting the amendment.

**Shri Nathwani:** I am moving an amendment.

**Shri Morarji Desai:** I am accepting that amendment.

**Mr. Chairman:** There is an amendment of Shri Nathwani.

**Shri Amjad Ali:** Caste is also very difficult to define. So, all these things, race, religious community and caste have been unnecessarily introduced there. (*Interruption.*) I am speaking of 13(b)(i) and 88 also.

**Shri Masani:** The principle is common.

**Shri Amjad Ali:** I support the amendment of Shri Masani. Once before he said, and said very beautifully too, that charity begins at home. To whom are you giving in charity? To people of your own choice. We should not care to whom the charity goes or under what label it goes. Let it go under any label. If it is charity do not debar it. If it is charity, pure and simple, let it be enjoyed by some people at least—at least some section of the humanity is going to benefit by it. Why cut at the root of it? It will discourage charities coming up. I hope the Finance Minister would see reason to do away with these words so that charities may come up in any way, so that they can benefit the community.

**Shri Naushir Bharucha:** With regard to this clause 88 which relates to donations for some charitable purpose being taxed, the main point to be noticed is that this clause is illogical. When I give Rs. 1 lakh or Rs. 2 lakhs to a charity that does not fulfil the conditions mentioned in sub-clause (5), then, that amount is liable to be taxed. In other words, it is a sort of a capital levy. If I retain it for myself it would not have been taxed; only the income would have been taxed. Now, this capital amount is also going to be taxed. It is going to be taxed and the income is also going to be taxed.

Therefore, my submission is this. If they do not tax an amount in the hands of an individual which he can use for selfish purposes, is it right to tax it when that amount is parted with for a charitable purpose just because the charity is confined to a particular section of beneficiaries? My submission is, it is illogical; it is not merely a tax on donations, it is more or less in the nature of a capital levy.

Even assuming for the sake of argument what the Finance Minister says that it is public money—because you do not pay a tax which would otherwise have accrued to the public exchequer—supposing I establish a trust, or a Jain gentleman establishes a trust for children of the Jain community to be educated and supposing 5000 children are educated, does that not give relief to Government to that extent at least and does that not release public money for other purposes? I cannot really understand the argument because you cannot educate the children of all communities, therefore, you should not educate the children of any community whatsoever. It is not communalism. It savours of communal jealousy. It passes my understanding. From the national point of view, what does it matter whether they are 5,000 children of this community or that community?

**Shri Bibhuti Mishra (Bagaha):** You are earning money from other communities also and you are paying money for one community.

**Shri Naushir Bharucha:** You have not yet understood the argument.

**Shri Bibhuti Mishra:** I have understood the argument.

**Shri Naushir Bharucha:** I have said that if 5,000 children of a particular community are educated, assuming for a moment that it costs Rs. 10 per month to educate one child, Rs. 50,000 are spent on these 5,000 children of a particular community. To that extent, Rs. 50,000 are saved to Government. They would not have to re-educate them. Therefore, it is a fallacious argument to say that because one community alone benefits public money is utilised for that community alone.

Another clause is sub-clause (5) (ii) which I am seeking to delete, which refers to instruments constituting the fund retaining for the benefit of the settlor any part of benefit of the trust. I am emphasising this. In Bombay, there are cases where the people have donated certain amounts for the establishment of certain institutions where they have provided that a certain number of students from a particular community will be taken. Supposing a college accommodates 200 students, they will say that five students, say, from a particular community be accommodated. Then the entire income of that particular institution will be taxed! I submit that we should at least maintain a sense of proportion in these matters. Surely, I am not preventing Government from sticking to the principle of being a secular State; there is the principle of secularism. But where the interests reserved for certain communities are so negligible, should they also come under the mischief of this clause? The interest of the community may be, say, jut five per cent. Even then, this particular clause will be attracted. I am afraid we are running wild with the principle of secularism. We are forgetting that we are dealing with human beings. At this stage, we cannot legislate as if we are legislating on the basis that a nation consists only of Mahatmas!

I submit that this provision requires to be radically altered. Otherwise, I am very much afraid that the cause of education will be terribly, perhaps irreparably damaged. And this Government has not got the money yet to fulfil the fundamental obligations or the directive principles of the Constitution which provide for free and compulsory education within a particular period. The Government has not been able to do that. Knowing that, the Government is also trying to prevent other people from fulfilling that ideal; I cannot understand the mentality of the Government in this regard.

**Shri Nathwani:** My amendment is No. 47. It is accepted. But I want to draw your attention to the word "race which occurs at page 73 also. That will also have to be deleted. It is in the Explanation. And my suggestion is only a consequential amendment so to say.

I want to say a few words about Shri M. R. Masani's amendment. I oppose it, and I was very much surprised to see that he, as well as Shri Naushir Bharucha, are harping upon this amendment, because the provisions of clause 83 are nothing but a reproduction of section 15B. These provisions are there since last 12 years.

**Shri M. R. Masani:** That is a mistake.

**Shri Nathwani:** Shri Naushir Bharucha said that it would do a terrible harm to the cause of education. Has it done any harm during the last 12 years?

**Shri Naushir Bharucha:** Yes; you must know that.

**Shri Nathwani:** I do not know anything about that. I have not come to know anything about it. I was only trying to make this point, namely, that it is very late in the day to argue that this provision should not be there. Not only have we made this change since 1948, but the pre-

[Shri Nathwani.]

sent section—15B—came into operation since 1952. A few years ago, in 1957 or 1958, we passed the Gift Tax Act. Therein, gifts which are meant for the benefit of a community or caste on the score of education have not been exempted.

**Shri Naushir Bharucha:** I oppose that also.

**Shri Nathwani:** I say it is very late in the day to oppose this.

**Shri M. R. Masani:** It is never too late to correct a mistake.

**Shri Nathwani:** The hon. Members over there are proceeding under a misconception. The idea is to give a proper lead to the charities. My hon. friend spoke eloquently about this. He asked why one should object if poor children belonging to certain communities are going to be benefited. I must ask a question whether charities or trusts engender a caste feeling or a communal feeling, or not. It is well known that these caste and communal feelings are not confined merely to charities. but that they have also projected into other fields, namely, political, social and economic. Have we not read the report of the Rural Credit Survey Committee? There we have found that one of the blemishes is that credit is being extended on the basis of caste or community. It is, therefore, highly necessary that the State should give a lead in such matters by withdrawing the concession. My hon. friend Shri Prabhat Kar pointed out repeatedly that no trusts are sought to be prohibited. But I must point out that the idea is not to prohibit or to make illegal or void any trusts which exist for the benefit of castes or communities. With these words, I oppose the amendment of my hon. friend Shri M. R. Masani.

**Shri Morarka:** There is a small point which I wish to make. It is not in regard to any amendment but it has been pointed by the office that the amendments which are moved by Shri Nathwani are also in my name. Those amendments are in our joint names. But the recommendation from the President has been obtained in my name only. So, for the purpose of record, we will have to say that the concerned amendments were moved by me.

**Dr. M. S. Aney** (Nagpur): I am not here to oppose the amendment but to understand the position as provided for in these clauses. I think that this is more or less a reproduction of section 13B(1). namely, the provision relating to the trusts for the interests of caste, race, religious community or something like that. I am only concerned with the term "religious community". I am in entire agreement with the views of Shri Nathwani that it is the duty of the Government to give a proper lead in regard to matters of this kind; that is, communal societies or a racial society or racial aspect in the matter of charities should be discouraged. I can understand that. But we must also bear in mind that under our Constitution we have given what is called the freedom of religion to all persons. Though our country is a secular State, it does not mean that there is no religion to be practised by anybody. That is not the position taken by the Government of India.

**Shri M. R. Masani:** Some people do it.

**Dr. M. S. Aney:** That is a wrong interpretation of it. That secularism does not mean that there is no religion to be practised by anybody has been made clear by no less a person than the Vice-President of the Indian Republic. Even from the statements made by other responsible people, we learn that we respect all religions and do not accept any particular religion as the religion of the State. That is what a 'secular State' means. That is the position which has been taken, and which I think is the correct position. Under that position alone, you can justify the fundamental right that has been given to the people: that they have got the right to practise or follow their own religion. That is intelligible and understandable only on the assumption that we respect all religions and do not accept any particular religion as the religion of the State.

Having taken this position, the question is whether the charity made to a particular religious community with a view to enable it to understand and follow that religion correctly would come under this provision or not. That is the question. Suppose I start an institution with a view to see that a proper set of teachers or preachers are trained, in view of the difficulty in getting the proper teachers to do the duties pertaining to the preaching class. Suppose I start such a school in which education is imparted to train priests or teachers, to enable the Hindu community to get the proper kind of priests, and suppose I make a donation for that institution. It will for the religious community; it helps to train teachers in the Hindu community The vedas will be taught to them and the necessary education which is intended to make good priests of them will be given. Some fund is earmarked by me as trust for this purpose. The question is whether you will treat that charity as coming within the prohibited charity under this law or not. The proper supply of teachers or priests for any religion is a thing which is necessary for the sake of enabling the people to follow the religion properly. If the liberty of religion is given to the people and interpreted by us in such a wide way, that their right of conversion is also included therein will this come under the concession given to them under the term, "religious liberty?" If that is so, the right of teaching or coaching people properly and supplying proper teachers, whether Hindus, Muslims or Christians or anybody else in their own way, and making donation for this purpose, to create such a set of people to act as preachers, will be helping the religious community and this donation will be a donation to a religious community. There is no question of it. If you treat it as not coming within the provisions of charitable trusts which are defined in this Act, there will be difficulty.

I want my hon. friend, the Finance Minister, who is himself a religious man, to consider all these types of charities, which are in my opinion not only essential, but even necessary for the sake of enabling the people to take full advantage of the fundamental rights of religious liberty. Then the people will begin to doubt the meaning of a secular State, which we profess to live in. If we belive in a secular State. We cannot have one meaning of it for the sake of propaganda and another for the purpose of legislation.

I want the hon. Finance Minister to consider this matter and to see if he can remove the possibility or likelihood of this provision creating a misunderstanding about the nature of the secular State.

**14 hrs.**

**Shri Morarji Desai:** This provision has evoked a very intersting debate. The debate that has been going on on this proves how logic can outrun itself, and how when one is weded to some particular view and when one wants anything, how anything can be brought into it by an intellectual feat. My hon. friend, Shri Masani, said that I was standing on my head . . .

**Shri M. R. Masani:** I said, he has started by putting the thing on his head.

**Shri Morarji Desai:** That means I am also standing on my head.

**Shri M. R. Masani:** *Yoga asan!*

**Shri Morarji Desai:** I do stand on my head but that is only for a short while, not always. Let us make things clear. Dr Aney also gets carried away by this logic, which is very sod-like. He has got a tremendous control of logic and he thinks more of logic than the basic things in this matter. That is why logic has taken control of everything.

Let us first of all see whether I am doing something which is wrong.

[Shri Morarji Desai.]

Shri Masani said that I am fundamentally and totally wrong in saying that this is public money. He says every refund or rebate is private money. I agree every rebate is a private money and therefore it is given; otherwise, why should it be given? If it is not private money, it will not be refunded or rebated. But when a tax is there—I am not talking of a tax which is not existing —and an income is subject to tax, so far as the tax—proportion of the income is concerned, that is certainly public money and not private money. If a tax is not there, then all the earning of the person concerned is his own money. But when a tax is there, the tax portion is public money. It is only on that understanding that deduction is made at the source before the income is paid to the person concerned. in the case of salaried servants. If the contention of my hon. friend is right, then we would be constitutionally illegal in recovering that money in the beginning. But we recover that money on this assumption and it is perfectly logical, legitimate, constitutional and moral that the tax part of every income belongs to the State.

What is the State? The State is an arrangement made by the people for their own convenience. Otherwise, the State has no justification, a democratic State specially. If the State is set up by the people for their own convenience, then the people are bound to pay to it the means to carry out their intention. That is how taxes are levied. If a tax is justified, then it is the duty of the people to pay the tax. Where is the question of there being any obligation or the State doing something wrong? One might say that the tax is more or it is less. That I can understand. That is a matter of argument and that is where the Parliament comes in. But any tax which is levied by the Parliament is an obligation of the person concerned to pay to the State. That is public money and not private money at all. I am quite sure my hon. friend in his clearer moments will accept it, when he sheds his prejudice about this particular matter. He says this is taken from the communists, which is a red-rag for him.

**Shri M. R. Masani:** I quoted from Prof. Parkinson.

**Shri Morarji Desai:** Prof. Parkinson is not god. Whether it is Prof. Parkinson or Shri Masani or myself or Shri Prabhat Kar, nobody is perfect by himself. All are full of mistakes and all are full of wisdom. Am I not bound to take wisdom from Shri Masani or Shri Kar? Is he not bound to take wisdom from me? If he is not, then one would be stupid in that sense. If I have taken anything from anywhere, why should that label be put on me and why should it be said that I am forced into a certain thing? (*Interruption*). I am not forced into anything. According to my hon. friend, anything that comes from somebody else is not wisdom. That by itself is contradictory to wisdom. That sort of attitude on the part of any person is not wisdom at all. Wisdom consists in accepting what is useful from any source from which it comes, without any prejudice.

**Shri Prabhat Kar:** That is fetish.

**Shri Morarji Desai:** Wisdom cannot be a fetish. What is a fetish?

**Shri Amjad Ali:** When you are worshipping something without reasons, that is a fetish.

**Shri Morarji Desai:** What am I worshipping?

**Shri M. R. Masani:** The State.

**Shri Morarji Desai:** I am not worshipping anything; I do not consider anything sancrosanct not even the Satte. That is a different thing altogether.

**Shri M. R. Masani:** The individual is sacred.

**Shri Morarji Desai:** Nothing is sacred in this world. If any individual goes against all others' interests, he is not sacred. What is sacred is the collective sacredness of all people and not individual sacredness. That is what I believe. Of course, individual liberty is important, but important only so far as it guarantees the liberty of all people. If it does not guarantee the liberty of all people, individual liberty is no good. To that extent, we surrender individual liberty when we make a State. Therefore, it is always a question of extent; it is not an absolute question, which we can argue. This is a tax from which nobody is entitled to any exemption. Charities were not exempted before this section was put in the existing law. I think it was Shri Shanmukham Chetty who first brought in section 15 (B). Before that...

**Shri M. R. Masani:** There was no tax before...

**Shri Morarji Desai:** Income-tax is hundred years old. Therefore, there is no use saying there was no tax. Then, religious things were not exempted. (*Interruption*). Afterwards, something was done, we are trying to rectify what was done After all, what is a religious community and what has been given by the State? The State is secular.

Dr. Aney argued that all religions believe in conversion and are also allowed to do conversion. Granted, but conversion by what means? Conversion only by persuasion, and by no other means. If the other person willingly accepts, certainly nobody prevents him. Then, it is acceptance by the other man; I do not call it conversion. This is the only conversion which is acceptable to the State and no other. That is the meaning of secularity of the State. If that is so, should this Government help some people in converting other people? I think it would be wrong on the part of the State to enable one religion to convert another. I do not think it will be right for the State to do so whether by money or by facilities. The State cannot do it. It is, therefore, that that State cannot give exemptions to all these institutions.

We have deliberately provided for temples, churches, mosques, etc. because these are instruments of worship, which are peculiar to different beliefs. We cannot say all of them must be mixed up. Therefore, they are allowed. So, if anybody is reasonable and logical, it is only the Government. If anybody is unreasonable and illogical, it is my friend opposite. I oppose his amendment. I accept the amendment of my hon. friend, Shri Morarka.

**Mr. Chairman:** Shall I put the amendment to vote?

**Some hon. Members:** Yes, Sir

**Mr. Chairman:** I shall then put amendments Nos. 34 and 35

*Amendments Nos. 34 and 35 were put and negatived.*

**Mr. Chairman:** Then I shall put amendment No. 47. The question is:

Page 72, line 37,

omit "race" (47)

*The motion was adopted.*

**Shri Morarka:** There is a consequential amendment. The word "race" should be deleted from the *Explanation*.

**Shri Morarji Desai:** Yes, I beg to move:

Page 73, line 10,

*omit* "race" (98).

**Mr. Chairman:** The question is:

Page 73, line 10.

*omit* "race" (98)

*The motion was adopted.*

**Mr. Chairman:** The question is:

"That clause 88, as amended, stand part of the Bill"

*The motion was adopted.*

*Clause 88, as amended, was added to to the Bill.*

*Clauses 89 to 93 were added to the Bill*

**Clause 94**—(*Avoidance of tax by certain transactions in securities*)

**Mr. Chairman:** There is a Government amendment to clause 94.

*Amendment made**.

**Page** 79, lines 11 to 13,—

*for* "if the result of the transaction is that interest becoming payable in respect of the securities is receivable by him" *substitute*—

"if the result of the transaction is that interest becoming payable in respect of the securities is receivable by him but is not deemed to be his income by reason of the provisions contained in sub-section (1)". (6)

(*Shri Morarji Desai*)

**Mr. Chairman:** The question is:

"That clause 94, as amended, stand part of the Bill."

*The motion was adopted.*

*Clause* 94, *as amended, was added to the Bill.*

*Clauses* 95 *to* 103 *were added to the Bill*

**Clause 104**— (*Super-tax on undistributed income of certain companies*)

**Shri M. R. Masani:** Sir, I beg to move*:

(i) **Page** 83, line 28,—

*after* "year" *insert*—

"or to the *bona fide* business requirements of the company". (38).

(ii) **Page** 83,—

(i) in line 37,—

*add* at the end—"or".

(ii) *after line* 37, *add*—

"(iv) that the distribution made in the preceding six years is in excess of the required percentage and the actual distribution made for the year in question *plus* the amount of such excess aggregates to the required percentage or is in excess of the required percentage, such excess being allowed to be set off until such time as it is exhausted." (82)

Sir, there are two amendments which I am moving to this clause which concerns Section 23-A companies. The first amendment, Amendment No. 38, seeks to add the words "or to the *bona fide* business requirements of the company" in the text of clause 104 after the word "smallness of the profits made in the previous year", in sub-clause (2) (i). Sub-clause (2) says:

"That Income-tax Officer shall not make an order under sub-section (1) if he is satisfied—

(i) that, having regard to the losses incurred by the company in earlier years or to the smallness of the profits made in the previous year, the payment of a dividend or a larger dividend than that declared would be unreasonable; or"

The point here is that these Section 23A companies are forced statutorily to distribute a certain part of their profits by way of dividend. The law takes notice of the fact that there may be circumstances where it would be improvident to force a company to distribute a certain amount by way of dividend, and so it says that where a company has made less profits or the profits are small the penal provisions of this clause need not be enforced.

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*Amendment made with the recommendation of the President.

There are cases of other hardships where the profits may not be small but there may be *bona fide* reasons or business requirements of the company which require that the profits should not be distributed to the required percentage. In a case in the British House of Commons—the case of Williamson *versus* Diamond—the court found that other business requirements of the company should be taken into account when deciding whether an order under such a clause should be passed or not. The British have a similar clause, from where we have taken it. Without these additional words I am suggesting, it is felt that this clause would operate hardship. I am told there are cases on income-tax record where companies do not declare a dividend merely to be able to pay arrears of tax or merely to pay all outstanding liabilities incurred purely for commercial business reasons. Yet the tax officers penalise these companies by an order under the present Section 23A. Therefore, I say, it is esential that the income-tax officer should be guided that where the *bona fide* business requirements of a company come in the way, these penal provisions should not be enforced. That is my first amendment.

By my second amendment, amendment No. 82, I want to add at the end of that sub-clause on page 83:

> "(iv) that the distribution made in the preceding years is in excess of the required percentage and the actual distribution made for the year in question *plus* the the amount of such excess aggregates to the required percentage or is in excess of the required percentage, such excess being allowed to be set off until such time as it is exhausted."

Now, Sir, it is an important amendment and I hope my hon. friend the Finance Minister will take note of it. The purpose of the law is an understandable one, but to require that it be carried out every year, whatever the state of the business is, is not a very reasonable or flexible approach. What the government or what the community should be concerned with is to see that over a period of years, over a period of time, the required percentage is distributed. Now, let us take the case of a company which distributes for a particular year a sum as dividend which is in excess of the statutory percentage. What I am asking is, this excess should be allowed to be computed or considered when dealing with the situation in the following year or years. If a company has distributed more than it is required by law to do, let it get the benefit in a lean year, when there are reasons for not distributing the required percentage, by setting off the excess which it has already undertaken.

Therefore, my amendment has the merit of retaining the essence or the spirit which underlies the section, but spreading it over a number of years —six years—so that it would enable a company to follow a more consistent and rational dividend policy than the one that is dictated by the rigid provisions of the section as it is today. I suggest to the hon. Minister that nothing will be lost so far as this point of view is concerned and it will be a gain from the point of view of intelligent company management if you give them a six-year period over which to spread the percentage statutorily required to be distributed by way of dividend.

**Shri Moraka**: Sir, in this clause, again, there is a printing mistake. I had pointed out this mistake in the Select Committee and at that time it was said that the same would be corrected, but I find that it has not yet been corrected. It is on page 83. Talking about super-tax payable by the company they say in line 7:

> "(a) fifty per cent, in the case of an investment company, and
>
> (b) thirty-seven per cent in the case of any other company, on the distributable income as reduced by—"

Now, this "as reduced by" should apply both to (a) and (b). But as it is printed now, it appears that this is to

[Shri Morarka]

be applied only to (b) and not to (a). Therefore, the clause as it is printed now changes the entire meaning.

**Shri M. R. Masani:** A new line should start.

**Shri Morarka:** So Sir, it must be properly corrected.

**Shri Morarji Desai:** I accept that suggestion. It must be put in the next line just before "the amount of dividends actually distributed. . ."

**14.19 hrs.**

[MR. DEPUTY-SPEAKER *in the Chair*]

As regards my hon. friend Shri Masani's amendment, have already replied to that when I spoke on this while presenting the Committee's report.

**Shri M. R. Masani:** Not the second one; it is a new one.

**Shri Morarji Desai:** The second one also. The second one is something more exceptionable. In amendment No. 82 he proposes that for the purpose of calculating the minimum amount to be distributed, to avoid the obligation of the provisions of clause 104, any amount distributed in excess of the statutory percentage in the preceding six years should also be taken into account. But he does not stop at that. He says, further, that after the set-off the shortfall in the current year and balance of the excess amount shall be carried forward to the future years. This is going too far. We introduced a provision permitting the consideration of the excess amount distributed in the three years preceding the year in which section 23A found applicable in 1955. But in 1957 this was dropped. With the further concessions now provided in clauses 104 and 109, a provision such as the one suggested by Shri Masani is not justified. Therefore, I oppose both the amendments.

*Amendments Nos.* 38 *and* 82 *were put and negatived.*

**Mr. Deputy-Speaker:** The question is:

"That clause 104 stands part of the Bill".

*The motion was adopted.*

*Clause* 104 *was added to the Bill*

*Clauses* 105 *to* 115 *were added to the Bill.*

*Clauses* 116 *to* 138 *were added to the Bill.*

**Clause** 139— (*return of income*)

*Amendment made:**

Page 102, line 34,—

*after* "paid" *insert*—

"or by any tax deducted at source, as the case may be" (7)

(*Shri Morarji Desai*)

**Mr. Deputy-Speaker:** The question is:

"That clause 139, as amended, stand part of the Bill"

*The motion was adopted*

*Clause* 139, *as amended, was added to the Bill.*

**Mr. Deputy-Speaker:** The question is:

"That clauses 140 to 142, stand part of the Bill".

*The motion was adopted.*

*Clauses* 140 *to* 142 *were added to the Bill.*

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*Amendment made with the recommendation of the President.

**Clause 143.— (*Assessment*).**

**Shri M. R. Masani:** I beg to move*:

Page 106,—

*after* line 26, *insert*—

> "(1A) A copy of the assessment order shall be supplied to the assessee within thirty days from the date on which the assessment is made." (83)

It is a very simple one and I do not see any difficulty in accepting it. it simply says that a copy of the assessment order shall be supplied to the assessee within thirty days from the date on which the assessment is made. It is entirely reasonable and I hope it will be accepted.

**Shri Morarji Desai:** If it is accepted and a statutory limit is put, suppose by mistake it is not done. Then, nothing will be recovered. I cannot accept such a statutory limit in supplying the assessment order.

**Shri M. R. Masani:** Then you find some other solution.

**Shri Maraji Desai:** I will try to find it.

**Mr. Deputy-Speaker:** Perhaps, it can be provided in the rules.

**Shri Morarji Desai:** We can issue executive instructions.

**Mr. Deput-Speaker:** Should I put the amendment to the vote of the House?

**Shri M. R. Masani:** Yes.

**Mr. Deputy-Speaker:** The question is:

Page 106,—

*after* line 26, *insert*—

> "(1A) A copy of the assessment order shall be supplied to the assessee within thirty days from the date on which the assessment is made." (83)

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

> "That clause 143 stand part of the Bill".

*The motion was adopted.*

*Clause 143 was added to the Bill.*

**Mr. Deputy-Speaker:** We will now take clauses 144 to 153.

**Shri Morarka:** Though there is no formal amendment by me, there is the question of the assurance given by the hon. Finance Minister. He gave an assurance in the Select Committee and he said that he would give the same to the House. Actually, it is recorded in the minutes also, on page 274 of the report of the Select Committee. The point is that the hon. Finance Minister has assured that though no definite time limit can be fixed, he would issue instructions that appeals should not be kept pending, as far as possible, for more than 12 months. I just want to remind him so that he can give the assurance about the issue of instructions.

**Shri Morarji Desai:** If I remember right, I said it in the reply at the consideration stage. I can mention it here also. I will try to see that it is done.

**Mr. Deputy-Speaker:** The question is:

> "That clauses 144 to 153 stand part of the Bill".

*The motion was adopted.*

*Clauses 144 to 153 were added to the Bill.*

*Clauses 154 to 178 were added to the Bill.*

**Clause 179.— (*Liability of directors of private company in liquidation*).**

**Shri Naushir Bharucha**: I beg to move*:

Page 129,—

*after* line 33, *insert*—

> "Provided that no liability shall attach to any such director in respect of any tax assessed on the company for a period exceeding three years." (68)

As the House will recollect, clause 179 of the Bill deals with the liability of directors of private companies in liquidation and it has been provided that the director shall be liable for payment of income-tax in the event of the company going into liquidation. Arguments were advanced, and there is force on both sides. One argument is, simply because 7 or 8 people trade as a private company instead of as a firm, why should there be a moral obligation on the directors to pay income tax on liquidation. In answer to that, they say that a private company pays tax on a higher slab. One can understand that. Taking every aspect into consideration, I have moved my amendment that the liability attached to a director for the payment of tax of a company should be limited to a period of three years, for this reason that while we expect directors to fulfil their moral obligation to pay income-tax while they are in office, Government, on the other hand, should be equally alert and collect e tax. Government cannot sleep on the income-tax assessment for years together and then pass on the liability to a director. Therefore, as a *via media*, this will serve the purpose and I hope the hon. Finance Minister will consider the desirability of accepting my amendment.

**Shri M. R. Masani**: While the hon. Member's amendment undoubtedly seeks to improve the position, I want to oppose the clause as well, because it is bad in principle. My objection has been stated earlier in the course of the debate, where I pointed out that through this clause an assault is being made on a very vital part of our company structure and administration, and that is the joint stock companies or limited liability companies. It is under the cloak of limited liability companies, or corporations as it is known in America, that the entire industrial revolution has been advanced in the progressive countries of the world, and it is a very vital field on which the whole structure of industrial advance is based. This clause attacks that very vital point by making individual members of the joint stock company liable beyond their limited liability under the statute. So, what the company law gives with one hand, the income-tax law takes by the other hand.

The hon. Minister stated two things in the course of the earlier discussion of this matter which I would like to correct. One was that anyone who does not accept this principle would be showing sympathy for wrong-doer. This is a very unfortunate sentiment on his part. Nothing is farther from me than helping any wrong-doer. But to create a wrong-doer by statute, there must be a statute when the wrong was done.

You are retrospectively or retroactively creating a crime or an offence that did not exist whenever that action took place, maybe three years ago or maybe 20 years ago, as would be the case if Shri Bharucha's amendment is not accepted. What I argued last time was that you cannot create liabilities or offences that did not exist when those acts took place. This, as the Chair is aware, is a fundamental principle of jurisprudence, namely, that one does not create crimes and punish people for acts that were not so punishable when they were committed or when the action took place. Therefore there is no question of sympathy for wrong-doing. Wrong-doing lies in lightheartedly tampering with the limited liability structure of the joint stock enterprise.

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*Amendment moved with the recommendation of the President.

Secondly, the hon. Minister said that a private company, after all, is a glorified partnership. Coming from someone who accepts the law as it is, as the hon. Minister must do, a private company is not a partnership. If it is so, abolish private companies. But while private companies are accepted as joint stock companies......

**Shri Morarji Desai:** Does my hon. friend really mean it that these companies should be abolished?

**Shri M. R. Masani:** I do not mean it. I shall oppose it, if you tried to do it. But do it in a straightforward way. So long as you have private companies as private joint stock companies, it is wrong to say that they are not really companies and that they are really partnerships. If the Companies Act is to be taken seriously, there are two kinds of genuine companies. Public companies and private companies are both limited companies. One must accept that as it is and not try to go behind the limited liability nature of a private company. You say that they are nothing but partnerships. That is not so. A private limited company is a corporate enterprise. It is a corporate entity. It is completely different from a partnership and the difference lies in this that while a partner is liable in an unlimited way, a member of a joint stock enterprise, public or private, knows the extent of his liability and goes into that enterprise knowing the extent of his liability. The limit is now sought to be arbitrarily removed by this clause and I strongly oppose it as a thoughtless act. It will do great harm to point out one misakereaea 29gf?

**Shri Morarka:** Before, I come to this question of principle, I want to point out one mistake in this clause which, I feel, may have crept in again after the Select Committee's deliberations. It says—I am reading the clause:

> "Notwithstanding anything contained in the Companies Act, 1956, when any private company is wound up after the commencement of this Act, and any tax assessed on the company, whether before or in the course of or after its liquidation....."

This point was discussed at length in the Select Committee and the Committee said that if any assessment is made after its liquidation, surely the directors should not be made personally liable. Till the company is liquidated, its assets are there. Whatever those assets may be, tax liability would be a first charge on them. But if the company is liquidated, the assets have been distributed to the shareholders and to other creditors, everything has been frittered away and liquidated, thereafter to make an assessment and to make the directors personally liable is something really harsh. I was looking for the minutes, but I could not find it in a hurry. But I think the Select Committee had agreed to drop the expression "after its liquidation". At the moment I cannot lay my hands on that, but I do appeal to the hon. Finance Minister to consider this because it would be a real hardship if an assessment is made after a company is liquidated and in respect of that tax liability a director is made personally responsible. This goes even further than the intention of the Tyagi Committee or of the Select Committee.

It is quite true that very healthy safeguards have been provided in this clause against the personal liability of a director, namely, that he would be personally liable only if he is guilty of breach of duty, misfeasance or gross neglect.

**Mr. Deputy-Speaker:** Only the assessment is made afterwards. Liability was already existing.

**Shri Morarka:** It is like this. Suppose, according to the return which the company submitted, there was no tax liability at all. There is no income, but the Income-Tax Department disallows certain things and says, "No, so much tax is payable." The liability actually arises only on assessment. According to my return, there is no liability because I have not made a profit.

**Mr. Deputy-Speaker:** The liability is all along there. When there is an income, the liability of paying tax is there.

**Shri Morarji Desai:** When it goes into liquidation. After it goes into liquidation, no directors exist.

**Shri Morarka:** Even if there is no director at that stage.

**Shri Morarji Desai:** It is not for income during the liquidation period. But past income is bound to be liable.

**Shri Morarka:** That is true. My only point is that he should be made liable only as long as the assets of the company have not been liquidated. Once the assets are liquidated and are frittered away and thereafter you make an assessment, whatever little safeguards the director had against his personal liability, even they are gone. I think that was the Select Committee's view, but I am not sure since I cannot lay my hands on that.

The second point is that in this clause, as I said, very sound safeguards have been provided against the personal liability of a director. But still one point remains, namely, that a director can be held responsible for breach of duty. If he did not pay the tax liability in the past, non-payment of a tax liability can also be a breach of duty on the part of the director in respect of that company. In the year 1957 when I was a director this was not my personal liability. I was a director under the law of the land then existing, namely, that my liability was limited to the amount of the share capital that I held in the company. Today, if you want to change the law thinking that there is a loophole, by all means do it. But for God's sake change it only prospectively. You cannot say that because I was a director in 1957 and because that company did not pay the tax in the year 1961 in respect of the year 1957, though I ceased to be a director in 1958, still I would be personally liable for that. My only objection to this clause is about making it retrospective.

I think, on the whole, it is a very good Bill and there is hardly any feature of it which can be objected to. This is the only small point and I think the hon. Finance Minister will give consideration to it. I hasten to add that it is more a question of principle than of actual practice. I do not think there will be a difficulty in actual life. I concede that. But still to evolve such principles on the statute book are not healthy because others might follow suit, for example, the Sales-Tax Act, the Municipal tax etc. The hon. Member, Shri Ramsingh Bhai Varma, who spoke the other day made a categorical demand that directors must be made personally liable and responsible for the dues of the labourers on account of provident fund, gratuity, wages and all that. It sounds very reasonable. You make an exception in respect of one. Then, why not in respect of another? Whatever you like to legislate, do it prospectively and do not do it retrospectively. That is my only humble submission.

**Shri Prabhat Kar:** At the time of the general consideration, we have discussed this matter. At that time also Shri Masani put forward his strong point saying that this is something which is a violent departure. All these things he said then. The simple point here, I think, is that there is a fundamental difference between a private limited company and a public limited company. The directors of the private limited company assert more rights and are more liable for the functioning of the company than any shareholder or director in the public limited company or even one individual director for that purpose. So far as they are concerned, the question is whether there should be limited liability or there should not be any limited liability for the board of directors of a public limited company. Here, the point that has been taken up first is that if due to the gross negligence, misfeasance or breach of duty on the part of that particular director, income-tax has not been paid he will be held responsible and to that extent the liability will be extended to him. I can understand the point that has been raised by Shri Morarka, namely, if there was no liability earlier, whether this Bill will have retrospective effect because at the time when he was a member of the board of directors the question of liability was not there. But if you draw a distinction between a private limited company and a public limited company, I think the function, responsibility and the duty of the board of directors and their interests as a company are something different from the board of directors in the public limited company. So far the question of his negligence, owing to which payment has not been made is concerned, I think he is bound to make payment and liability to that extent should be extended.

So far as Shri M. R. Masani's point that it should be whether it is a private or a public company limited liability, I would like to put one question. If because of the limited liability, the Board of directors do not pay to the State and then manage the company into liquidation, because of liability to the extent of share capital, in that case, how will the State be in a position to recover the amount? So far as a private limited company is concerned, I am in agreement with the Finance Minister that it is nothing but a partnership in a different way. While discussing the Companies Act, we also suggested that there should not be any private limited company. He was not in favour of doing away with private limited companies. He wants to keep them. At the same time, he wants to get the benefit of the public limited company and the limited liability of the Board of directors. I feel that clause 179 should be there and there is nothing wrong. He said it was a violent departure. If we look into private limited companies and their composition, you will see that so far as a private limited company is concerned, it is nothing but a partnership. Therefore, this liability clause should not be deleted.

**Shri Morarji Desai:** I know that my hon. friend Shri M. R. Masani feels very keenly on it for reasons which are very valid according to him. I do not say there is not any force in what he argues. But, there is more force in what I argue. That is all I can say.

There is something in what has been stated by Shri Morarka, that before this provision comes into force, those who became directors became directors on the understanding that they will not be liable personally for these taxes and otherwise they may not have become directors. They can argue that it is a new liability which is put on people who had accepted office under a different notion at that time. Therefore, that argument, to my mind, seems to be valid. But, I do not know how that can be safeguarded. I can only safeguard by an assurance that whenever such a liability accrues, we will apply it only to directors who have come into being after the Act is passed or who have remained as directors on that date. That is all I can say.

**Shri Nanshir Bharucha:** Very good.

**Shri Morarji Desai:** After saying that, the question of three years does not survive. Whatever happens, then the directors must pay for any number of assessments which are there. Why should then they escape any assessment? Therefore, this will apply only to those people who come as directors now or continue to re-

[Shri Morarji Desai]

main as directors on the date on which the Act comes into force. It would not be fair to ask people who did not know and who were not told that they would be liable. To do it retrospectively may not be fair. I do certainly say that this is how it will be carried out. Therefore, I oppose the amendment of Shri Naushir Bharucha.

**Shri Naushir Bharucha**: In view of the statement by the hon. Finance Minister, I seek leave of the House to withdraw my amendment No. 68.

*Amendment No. 68 was, by leave withdrawn.*

**Mr. Deputy-Speaker**: The question is:

> "That clause 179 stand part of the Bill."

*The motion was adopted.*

*Clause 179 was added to the Bill.*

*Clauses 180 to 216 were added to the Bill.*

**Clause 217**— (*Interest payable by assessee when no estimate made*).

**Shri Morarji Desai**: I beg to move:*

Page 146, *for* lines 3 to 12, *substitute*—

> "217. (1) Where, on making the regular assessment, the Income-tax Officer finds that any such person as is referred to in sub-section (3) of section 212 has not sent the estimate referred to therein, simple interest at the rate of four per cent per annum from the first day of April next following the financial year in which the advance tax was payable in accordance with the said provisions up to the date of the regular assessment shall be payable by the assessee upon the amount equal to the seventy-five per cent, referred to in sub-section (1) of section 215." (8).

Clause 217 corresponds to section 18A(8) of the present Act. On a closer examination, it is clear that section 18A(8) is really applicable to all cases where new assessee fails to send an estimate of advance obligations payable by him under section 18A(3). In order to bring out this obligation, this amendment is proposed.

**Mr. Deputy-Speaker**: The question is:

Page 146, *for* lines 3 to 12, *substitute*—

> "217. (1) Where, on making the regular assessment, the Income-tax Officer finds that any such person as is referred to in sub-section (3) of section 212 has not sent the estimate referred to therein, simple interest at the rate of four per cent per annum from the first day of April next following the financial year in which the advance tax was payable in accordance with the said provisions up to the date of the regular assessment shall be payable by the assessee upon the amount equal to the seventy-five per cent referred to in sub-section (1) of section 215." (8)

*The motion was adopted.*

**Mr. Deputy-Speaker**: The question is:

> "That clause 217, as amended, stand part of the Bill."

*The motion was adopted.*

*Clause 217, as amended, was added to the Bill.*

*Clauses 218 to 220 were added to the Bill.*

*Clause 221 was added to the Bill.*

*Clauses 222 to 241 were added to the Bill.*

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*Amendment moved with the recommendation of the President.

**Mr. Deput-Speaker:** Amendment No. 85.

**Shri M. R. Masani:** I am not moving it.

**Mr. Deputy-Speaker:** The question is:

> "That clause 242 stand part of the Bill."

*The motion was adopted.*

*Clause 242 was added to the Bill.*

**Clause 243—**(*Interest on delayed refunds*)

**Shri Morarji Desai:** I beg to move:*

Pages 157 and 158, *for* lines 40 and 41 and lines 1 to 5 respectively, *substitute*—

> "243(1) If the Income-tax Officer does not grant the refund,
>
> (a) in any case where the total income of the assessee does not consist solely of income from interest on securities or dividend, within three months from the date on which the total income is determined under this Act, and
>
> (b) in any other case, within six months from the date on which the claim for refund is made under this Chapter,
>
> the Central Government shall pay the assessee simple interest at four per cent per annum on the amount directed to be refunded from the date immediately following the expiry of the period of three months or six months aforesaid, as the case may be, to the date of the order granting the refund." (9)

This was explained by me at an earlier stage and therefore, it is not necessary for me to speak again just now.

**Mr. Deputy-Speaker.** The Amendment is before the House.

**Shri M. R. Masani:** Mr. Deputy-Speaker, I shall support the clause of the Bill and oppose the Finance Minister's new amendment.

Clause 243 was accepted by the Select Committee in the interests of expeditious despatch of tax cases. It, therefore, provided that interest should be paid to a man who has suffered through delay on the part of the tax authorities. Because it was his money that was being wrongly delayed, he should be compensated for this enforced loan that the Government was taking from him against his wishes. After the Select Committee report was made and clause 243 and the scheme of the Bill was accepted, the Ministry had second thoughts and they are now coming forward with an amended draft. I think this amendment is a bad one because it takes away what the Select Committee had sought to give to the assessee in the way of assurance either that his case would be expeditiously dealt with or alternatively that he would be compensated by payment of interest. To turn round an argument which the hon. Minister has used in the past about charitable donations, nobody, is going to send the income-tax officer to jail if he is not able to complete the assessment within the time stipulated in this clause. All that is said is that if the income-tax officer falls down on his job, then the assessee will get his interest, and interet will start running. Just as hon. Finance Minister has argued that communal charities are not prevvented but only discouraged, so, this clause also tries to discourage the income-tax authorities from undue delay by saying 'All right, if you must delay, do so; your case would not lapse; the assessee would not escape, but you should start paying him interest on the money that you are unnecessarily detaining, because that money may be part of his livelihood;

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*Amendment moved with the recommendation of the President.

[**Shri M. R. Masani**]

he may need it for his day-to-day expenses. We are not thinking of rich people all the time. The trouble with this Government is that it forgets that the average citizen is not rich. Whether it is the budget or whether it be tax laws, we forget that the bulk of our tax-payers are small people, and we have got to guard the liberty of these people; even it in that process, a few rich people benefit, it does not matter.

Now, what is the change that this amendment makes? It seeks to carve out a category of cases where there may be unlimited delay—and I say that deliberately. So far as the statute is concerned, so far as the law is concerned, as opposed to the intentions of my hon. friend the Minister and the instructions that he may administratively issue, in a category of cases which is very wide, as I shall show presently, the tax authority may sit back indefinitely over a number of years. .

**Shri Morarka:** No, it cannot be more than four years.

**Shri M. R. Masani:** All right, the tax authorities may sit back on it over a number of years, the maximum number being four years, and yet refuse to pay a single pie by way of interest on the money that they have just delayed.

**Shri Morarka:** That is not due.

**Shri M. R. Masani:** That is the argument which is advanced again. But, as I have said earlier, I believe that any money that is not in the last analysis payable by the assessee to the State is that man's money. That is the whole principle of paying interest. Otherwise, why are you paying interest at all? You are doing so because you realise that pending the assessment, it is his money that you are detaining, money that he may need very desperately, money that he may have to borrow to replace. You are paying him 4 per cent interest so that he may go and borrow money against that four per cent if he could get it from somebody else to meet his wants. That is the whole spirit of this compensation.

Therefore, if you are going to delay his money, what is wrong with saying that if in any assessment, you cannot complete it within six months, you must start paying him interest?

Now, a bogey has been raised of banks and financial institutions. We are told that there are some banking institutions whose assessment is so complicated that even with the best will in the world, six months may not be adequate. I am quite prepared to believe that there may be cases in any country where even six months may be a difficult period in which to complete the assessment, although, I see nothing impossible about it. The Select Committee in its wisdom felt that six months were adequate for all cases. I say, all right, if a category of cases, which must be a handful in this country—it cannot be more than twelve or fifteen in a year—do arise where it is difficult, let us try to meet them. If the hon. Minister had come forward with some such very narrow provision, then, possibly, I would not have opposed it.

But, look at the language of the amendment which he has moved; it reads:

> "in any case where the total income of the assessee does not consist solely of income from Interest on securities or dividend, within three months from the date on which the total income is determined under this Act,. . ."

Suppose the payment of interest is delayed indefinitely for four years and then for three months after the four years are completed, as the maximum; then, what will happen? I am not saying that it will happen in every case: What kind of cases are those in which for four years and three months, a man may have to wait for something without getting interest? Those cases are all cases, big and small, complicated and simple, in which the income does not consist solely of income from interest on securities or dividends. Suppose there is a clerk drawing a salary of Rs. 400 or 500, who happens to have a couple of shares, then his income is of this category; it is not entirely from dividend or interest; it will be partly from salarly and partly from dividend. What happens to the case of a man who is harassed by having his small income of a few thousand rupee a year not cleared for over four years? I am sure the hon. Minister would intervene if this were brought to his notice. But how many assessees are in a position to have the contacts to bring every case of this type to the notice of the hon. Minister?

When we legislate, we should not think only that the Minister in office is a good man, and he wants to do the right thing, and he will try to see that his department does it. After all, the purpose of law is that the citizen has fundamental guarantees against the harassment of the bureaucracy. I do not for a moment suggest that income-tax officers as a class are of the harassing kind. In fact, I have paid a tribute to them, and I have said that they are as honest and as good citizens as the assessee class may be. But, just as we also guard against the misuse of their rights by the assessees—and this Bill is full of safeguards of that nature— we also have to safeguard against the harassment of the citizen which is at least as important as the harassment of the State.

Therefore, I say that this is a very unfortunate retraction from the position that the Select Committee had taken up after mature consideration, and to which the Minister was a party. This is an unwarranted breach into that agreement and understanding of too wide a nature. If the hon. Minister were even now to say, all right, let us say that in no case should the assessment last for more than twelve months, and after the twelve months are over, let the three months' period run for this category of cases, I would say, good enough. In some cases, it may take six months in others 12 months, where there may be difficulty arising from the nature of the case; but, after the 12 months are over, let the interest run. But, here, the three months' period is after the determination of the assessment; and between the facts arising and the making of the assessment, a period of four years may pass. I think it is altogether an unconscionably long period to ask the people who come under this category to suffer. Therefore, I would yet urge the hon. Minister to accept an amendment, or to make an amendment himself which would limit the mischief to twelve months in this category of cases and then let the interest run; even when twelve months have passed, if three more months are taken, let them pay interest on it. I am not saying that nothing can be done or that no tax be levied after twelve months; let them take even two years if necessary, but, for the second year, let them pay interest. That is all that is suggested.

Therefore, I say that there is a very strong case to stand by the Bill as reported by the Select Committee, or to amend it as I myself have suggested. I venture to say that the hon. Minister should not rush through his amendment in this manner, because that is a most unfortunate thing to do.

**Shri Morarka:** May I say a word about clause 243, since Shri M. R. Masani has referred to the discussions in the Select Committee of which I also had the honour to be a Member?

The clause as it stands reads thus:

> "If within a period of six months from the date on which a claim for refund is made under this Chapter, the Income-tax officer does not grant the refund...".

This means that if the refund is not given within six months from the date on which the claim is made, then, interest would be payable. But the question was when a person could

[Shri Morarka]

claim. It was always the understanding of the Select Committee that a person could make a claim only after his assessment is completed. He cannot make any claim for refund without knowing what is liability under the tax law is. Unless he knows the tax liability or the refund that is due to him, how can he make a claim?

The Select Committee fixed a period of six months, but at the same time, the Select Committee was pressing on the Finance Minister to reduce the period of six months to three months, and the Finance Minister at that time said that the matter might be deft to him, and he would carefully go into it, and if he could reduce it to three months, he would certainly do it.

Now, this period of six months has been reduced to three months. The wording has now been changed, in order to make it more clear that the period will be reckoned from the date of the assessment rather than from the date of the claim. I submit that the intention of the Select Committee could not have been other than what is now expressly provided in the Government amendment. For if any claim is to be filed the moment a person submits his return, then, the provisions of clause 153 become redundant. In clause 153, we have given the income-tax officers a period of four years for completing the assessment. If they do not do it within four years, then the assessment becomes time-barred. Now, if you keep the language of clause 243 as it is and accept the interpretation of Shri M. R. Masani, then the effect would be that in every case, the income-tax officer would be compelled to complete the assessment within six months, for, otherwise, the interest running immediately.

**Shri M. R. Masani**: What is wrong with that?

**Shri Morarka**: Without knowing whether refund is due or not, how can anybody, whether it be Shri M. R. Masani or myself or anybody else, file a claim for refund? Without knowing what our tax liability is and what refund is due to us, how can we file any claim for refund?

Therefore, I submit that the Government amendment is more in the interests of the assessees, and, therefore, in no case should the suggestion of Shri M. R. Masani to make it twelve months be accepted, because that would be against the interests of the assessees to a large extent.

My hon. friend Shri M. R. Masani takes of small assessees. Can he point out a single instance where an assessee with a small income of, say, Rs. 300 or Rs. 400, has found that his assessment has been kept pending for four years?

15 hrs.

**Shri M. R. Masani**: Certainly for two or three years.

**Shri Morarka**: If an assessment is complicated, if the assessee has got branches and many transactions, it is possible that due to the delay in verification and so on, the assessment is not completed.

**Shri M. R. Masani**: The assessment of many people with small income has been kept pending.

**Shri Morarka**: If it is a question of appeal, I can understand it. But initial assessments are kept pending only when they are of a complicated nature. In the case of simple assessments of the type that Shri M. R. Masani has in view, the assessments have never been kept pending for more than six months.

**Shri M. R. Masani**: Question. His facts are not correct.

**Shri Morarka:** I think the Government amendment is more in the interest of those assessees with small incomes, whose interest Shri Masani has as in his heart. So the House may accept the Government amendment.

**Shri Morarji Desai:** May I be permitted to say that my hon. friend, Shri Masani, is not being very fair to us in constantly harping on the words 'breach of agreement'?

**Shri M. R. Masani:** I did not say breach of faith.

**Shri Morarji Desai:** He did say that.

**Shri M. R. Masani:** I referred to a breach in the understanding. I did not mean breach of faith. Even if I had said it, I assure the hon. Minister I did not mean it.

**Mr. Deputy-Speaker:** He said a breach had been made in that.

**Shri M. R. Masani:** I may assure him that I did not say 'breach of faith'.

**Shri Morarji Desai:** Breach of confidence or breach of trust.

**Mr. Deputy-Speaker:** He said that something was done there and a breach was being made in that.

**Shri Morarji Desai:** That is what he said.

When he says that there is a breach made in something which was done in the Select Committee, that also would not be fair. He did not object to clause 153. He has been so vigilant about this Bill that nothing has escaped him.

**Shri M. R. Masani:** Lots of things have ascaped me.

**Shri Morarji Desai:** He has done what does not require to be done. He has not objected to clause 153. No amendment has been proposed. The four-year limit has remained. Why? Because there are cases which take a lot of time not only on account of Government but also on account of the assessees and their convenience. If I make it one year, what might happen is that some people will suffer because immediately something will be done by the assessment officer to see that the limit is not exceeded.

When he talks of small assessees, he knows that Government have issued directions that incomes of Rs. 7,500 and under will not be scrutinised for four years.

**Shri M. R. Masani:** Instructions are not law.

**Shri Morarji Desai:** Instructions have the force of law. That is how they will be acted upon. If somebody does not do it, I am prepared to take disciplinary action against the officer concerned. That is what I have said. It is not difficult for anybody to write to me. Even a postcard can be written, which is often done. If an envelope cannot be sent, a postcard can be sent. It is not very difficult to do. I can even say that where the grievance is justified, I am prepared to refund him even the postcard price. What more can I do? I cannot go beyond that.

**श्री अर्जुन सिंह भदौरिया (इटावा) :** माननीय मंत्री को पोस्ट-कार्ड मिल भी जायगा ?

**श्री मुरारजी देसाई :** फी दे देंगे ।

**Mr. Deputy-Speaker:** If it is payable, he will not accept it.

**Shri Morarji Desai:** It must be justified. Otherwise, I will receive 10,000 postcards for nothing. That has also got to be safeguarded. I will be able to find out how many justifiable cases there are out of 10,000.

Therefore, it is not that I am taking the stand that I will take care of everything. No law should be framed on any individual basis; whether it is A, B, C, D, or anybody, it does not matter. The Government must function properly, whoever may be the Minister. Then I am also not infallible. I cannot say that under me there has been no fault committed. That is no argument which I have accepted at any time. It is not on that assumption that I have acted.

[Shri Morarji Desai]

Therefore, to say that the refund should be made within three months or six months of the making of a claim is an impossible demand.

**Shri M. R. Masani:** Make it twelve months.

**Shri Morarji Desai:** In that case, the smaller people will suffer. He wants to protect only the bigger people.

**Shri M. R. Masani:** Certainly not.

**Shri Morarji Desai:** His briefing is by those people who can be briefed only by very rich people, not by small people.

**Shri M. R. Masani:** That is not right.

**Shri Morarji Desai:** Therefore, I cannot accept his demand. . .

**Mr. Deputy-Speaker:** There was one thing that was raised that struck me as important. He says that refund can only be made after assessment has been made and the liability determined.

**Shri M. R. Masani:** Then there should be no difficulty in accepting the clause as it was.

**Mr. Deputy-Speaker:** Six months from the date on which a claim for refund is made.

**Shri M. R. Masani:** That is what it says—six months from the date on which a claim has been made.

**Mr. Deputy-Speaker:** And the refund can be made after the assessment has been made.

**Shri M. R. Masani:** Then there is no danger at all.

**Mr. Deputy-Speaker:** The assessment might take four years. Therefore, the time has been put in.

**Shri M. R. Masani:** That will safeguard the Minister's position even more.

**Mr. Deputy-Speaker:** The question is.

Pages 157 and 158,—for lines 40 and 41 and lines 1 to 5 respectively, substitute—

"243. (1) If the ncome-tax Officer does not grant the refund,

(a) in any case where the total income of the assessee does not consist solely of income from Interest on securities or dividend, within three months from the date on which the total income is determined under this Act, and

"(b) in any other case, within six months from the date on which the claim for refund is made under this Chapter,

the Central Government shall pay the assessee simple interest at four per cent per annum on the amount directed to be refunded from the date immediately following the expiry of the period of three months or six months aforesaid, as the case may be, to the date of the order granting the refund." (9)

*The motion was adopted.*

**Mr. Deputy-Speaker:** The question is:

"that clause 243, as amended, stand part of the Bill".

*The motion was adopted.*

*Clause 243, as amended, was added to the Bill.*

Clauses 244 to 248 were added to the Bill.

**Clause 249**—(Form of appeal and limitation)

**Shri M. R. Masani:** I beg to move*:

Page 160, line 31,—for "given" substitute "served". (86) It will be noticed that this clause, as it was in the old law, underwent a change in the Select Committee in that the word 'served' has been replaced by the word 'given'. There was no valid reason for this change at all. On the other hand, it opens the door to trouble. When an intimation or order is served on a person, everyone knows what point of time is being referred to—the time by which the intimation reaches him. Therefore, he is fully cognisant of what has happened. When the expression "date on which intimation of the order sought to be appealed against is given" is used, what is the time referred to? Is it the time at which the intimation is issued or the time at which the intimation reaches the person? The word 'served' is unambiguous. The word 'given' is highly ambiguous. It may be the time when the intimation is given, not when it is received. Mere posting of an intimation is no intimation. There may be postal delays and other things which may delay the receipt of the intimation by thet person concerned. What we are concerned is that there must be a stated number of days, a period of time, which a man has in his hand before he makes appeal, and he knows when that period ends. When the word 'given' is used, it opens the door to trouble and uncertainty so far as he is concerned. Giving intimation is not enough; receipt of the intimation by the party concerned is much more important.

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*Amendment moved with the recommendation of the President.

Therefore, let us either have the old law which was doing no harm at all or let us say 'when it is given and received'. Especially when the word 'received' comes in, everyone knows on what date the intimation reaches the person. I am sure the Minister will see no difficulty in acceptnig it. The word 'served' was quite satisfactory; there is no reason why we should change it for a less satisfactory and less ambiguous word.

**Mr. Deputy-Speaker:** Suppose he refused to accept.

**Shri M. R. Masani:** 'Served' is a much better word.

**Shri Morarji Desai:** The Select Committee in its wisdom thought, and thought properly, that the word 'served' would not go well with intimation. Therefore, they decided to change the word and make it 'given'.

I think they have done it very rightly. Therefore "given" is accepted.

**Mr. Deputy-Speaker:** "Given" is also likely to create some difficulty.

**Shri M. R. Masani:** If the word is to be changed, let "intimation" be changed and "notice" be put there. Notice being served is Queen's English. I appreciate the linguistic difficulty, so the word "intimation" should be changed to "notice".

**Shri Morarji Desai:** I accepted the opinion of all except Shri Masani in this, and I cannot go beyond that. And I am no expert in English.

**Mr. Deputy-Speaker:** He may consider that also. "Given" means as soon as it has been posted. At least that much time should expire which is needed for it to reach the person by post. So, if it is "given" alone, there might be some difficulty. "Received" also creates other difficulties. He may not receive it. At least there ought to elapse that much time for it to reach the person.

**Shri Morarji Desai:** I have personally no objection to "served" or "given". If you think "served" is better, I am prepared to accept it. I thought "given" was all right. Only it ought to be seen that nobody is treated badly because he has not received it. That we constantly see.

**Shri M. R. Masani:** Let us stick to "served" because it is there in many parts of the Act.

**Shri Morarka:** Sub-clause (2) says:

> "An appeal shall be presented within 30 days of the following date. . ."

Thirty days is a limited period. After that period is over, the assessee forfeits his right to make an appeal, which is a very valuable right. Therefore, if what Shri Masani says is the correct interpretation, the word "served" may be restored in place of "given".

**Shri Nathwani:** Under sub-clause (3) he is given an additional period.

**Shri Morarka:** But that requires sufficient cause to show why the appeal was not presented within 30 days. It is very difficult.

**Mr. Deputy-Speaker:** He is given 30 days after intimation is given. If it does not reach the man within those 30 days, what happens?

**Shri M. R. Masani:** It should reach him. It will be posted on his door. There are ways of serving notices of this nature.

**Shri Morarji Desai:** If he does not take it, it will be affixed to his house door, and it will be taken as served.

**Mr. Deputy-Speaker:** That is enough.

**Shri Morarji Desai:** Therefore, I am prepared to accept "served". I have no objection.

**Mr. Deputy-Speaker:** The question is:

Page 160, line 31,—

*for* "given" *substitute* "served". (86)

*The motion was adopted.*

**Mr. Deputy-Speaker:** The question is:

"That clause 249, as amended, stand part of the Bill".

*The motion was adopted.*

*Clause 249, as amended, was added to the Bill.*

**Mr. Deputy-Speaker:** The question is:

"That clauses 250 to 270 stand part of the Bill".

*The motion was adopted.*

*Clauses 250 to 270 were added to the Bill.*

**Clause 271—(*Failure to furnish returns, comply with notices, concealment of income etc.*)**

**Shri Prabhat Kar:** I beg to move:

Page 170, lines 12 and 13,—

*for* "two per cent", *substitute* "five per cent." (87)

Page 170, lines 14 and 15,—

*omit* "but not exceeding in the aggregate fifty per cent of the tax." (88)

Page 170, line 24,—

*for* "twenty per cent" *substitute* "twenty-five per cent." (89)

Page 170, lines 24 to 27,—

*omit* "but which shall not exceed one and half times the amount of the tax, if any, which would have been avoided if the income as returned by such person had been accepted as the correct income." (90)

**Shri Morarji Desai:** Recommendation has not been received.

**Mr. Deputy-Speaker:** It is only enhancement that is contemplated. Therefore, no recommendation is needed. He is adding to the revenues and not subtracting.

**Shri Prabhat Kar:** It has been pointed out by the Direct Taxes Enquiry Committee also that it is necessary to impose heavy punishments on those who do not pay taxes or try to avoid paying taxes.

On this there will be unanimity of opinion that all the taxes due to the State should be paid, that should be the attempt of the Income-Tax Act, whatever its defects or shortcomings. The question of penalty comes in in the case of those who conceal their income or try to avoid paying taxes. The punishment in their case should be deterrent, so that others may be afraid of concealing their income or trying to avoid paying taxes. That is the purpose of my amendments. I have tried to enhance the penalties.

Sub-clause (1) says:

> "If the Income-tax Officer, or the Appellate Assistant Commissioner, or the Appellate Tribunal in the course of any proceedings under this Act, is satisfied that any person—
>
> (a) has without reasonable cause failed to furnish the return of his total income which he was required to furnish under sub-section (1) of section 139 . . .
>
> (b) has without reasonable cause failed to comply with a notice under sub-section (1) of section 142 . .
>
> (c) has concealed the particulars of his income or deliberately furnished inaccurate particulars of such income,
>
> he or it may direct that such person shall pay by way of penalty,— . . ."

These are the acts for which penalty has to be imposed, and naturally the punishment should be deterrent. That is why I have suggested increase from two to 5 per cent, 20 to 25 per cent and also that the aggregate limit of 150 per cent should go. The intention is to add to the revenue. I therefore hope the hon. Minister will not oppose it.

**Shri Morarji Desai:** This certainly enhances the revenues of Government, but whether the enhancement is done in a proper way or not has also got to be seen.

Penalties have a good effect so long as they remain educative. If they become too high, they become destructive and lead to corruption. If the penalty is indefinite and any amount of penalty can be levied, it will be a source of corruption to my mind. I do not therefore like to be armed with a power like that, or to clothe the officers with powers to levy indefinite penalty. The penalties prescribed here are high enough to serve our purpose, and I do not think that I should take enhanced punishments in this clause.

**Mr. Deputy-Speaker:** Now I put amendments 87, 88, 89 and 90 to the vote of the House.

*(The amendments were put and negatived).*

**Mr. Deputy-Speaker:** The question is:

> "That clause 271 stand part of the Bill".

*The motion was adopted.*

*Clause 271 was added to the Bill.*

**Mr. Deputy-Speaker:** The question is:

> "That clause 272 stand part of the Bill."

*The motion was adopted.*

*Clause 272 was added to the Bill.*

*Clause 273 was added to the Bill.*

**Mr. Deputy-Speaker:** Next we shall take up clauses 274 to 280 for which there are no amendments.

**Shri Heda** (Nizamabad): Sir, I would seek a clarification so far as clause 278 is concerned. This relates to abetment etc. I want a clarification to this extent only whether this would be relevant to the legal practitioners and whether they would come under the mischief of this clause. Legal practitioners, as a class, have to perform certain professional duties. This clause is not very clear and I am afraid that they will also come under this.

**Shri Morarji Desai:** Why should they not?

**Shri Heda:** If they come, then they will not be able to perform their duties fearlessly. Certain privileges of the legal practitioners are safe-

[Shri Heda]

guarded when they perform their duties. Similar protection should be given when they practise in income-tax courts. If that is not so, they will be under fear of Government; and, as I will refer to at a later stage, they may have to work under fear even of the assessees.

**Shri Morarji Desai:** The lawyer ought to come more into this, because he knows the law. And if he knows certain things to be false or does not believe to be true and if he induces somebody to do that, he ought to be punished. I do not know why he should be exempted.

**Shri Heda:** Whether it is false or not should be decided by other persons and not by the income tax authority himself.

**Shri Morarji Desai:** The court will decide.

**Mr. Deputy-Speaker:** The question is:

"That clauses 274 to 280 stand part of the Bill."

*The motion was adopted.*

*Clauses 274 to 280 were added to the Bill.*

**Shri Jhunjhunwala:** Sir, I had given notice of an amendment. I do not want to move it.

**Mr. Deputy Minister:** The question is:

"That clause 281 stand part of the Bill."

*The motion was adopted.*

*Clause 281 was added to the Bill.*

**Mr. Deputy-Speaker:** Next we shall take up clauses 282—298 for which there are no amendments.

But here I would suggest one thing. As we have adopted or accepted a change in 249 about appeals that the notice shall be served, here also in clause 295—power to make rules—in sub-clause (m), something should be added with regard to the manner in which the intimation shall be served upon the assessee. That should be added because the rules shall have to be made as to whether the sending by post of the notice would be enough or some other method should be adopted. That should be specified in the rules and so this amendment should be made.

**Shri Morarji Desai:** I am thankful for the suggestion and I shall move an amendment.

**Shri Heda:** Sir, I want to refer to clause 288. In clause 288(4), they have given three categories of persons. In(b), they say about a certain category of persons and it is said that

"for such time as the Commissioner may by order determine in the case of a person referred to in sub-clause (b), and for the period during which the insolvency continues in the case of a person referred to in sub-clause (c)."

I have nothing to say about categories (a) and (c). I want to limit my observations only to category (b)—

"who has been convicted of an offence connected with any income-tax proceeding or on whom a penalty has been imposed under this Act other than a penalty imposed on him under clauses (i) and (ii) of sub-section (1) of section 271;"

Under clause 271(1)(c) there are three categories. Out of these 3, two have been exempted, and one has not been exempted. I think that will be very harsh on the legal practitioner. Clause 271(1)(c) (iii) reads as follows:

"in the cases referred to in clause (c), in addition to any tax payable by him, a sum which shall not be less than twenty per

> cent, but which shall not exceed one and a half times the amount of the tax, if any, which would have been avoided if the income as returned by such person had been accepted as the correct income."

Any charge can be made by inspecting officers or any authority and the result would be that on the basis of that, the legal practitioner would be deprived from representing any assessee. Every practitioner has to pay some income-tax and therefore he himself is the person involved and it is just possible that some authority out of spite or for some reason or other involve him in some case. Why mix up with another case the case in which he is involved and deprive him of his profession during the period the case is not decided? It would be very harsh on him. The Select Committee was good enough to exempt catogries (i) and (ii). I think there is equally good ground to exempt the other category of cases also.

**Shri Morarji Desai:** I do not see why any facility should be given only to lawyers in this matter. After all, it is more the lawyers who enable people to evade taxes. (*Interruption*). I do not know why there should not be penalties if they are convicted of an offence and why they should be allowed to practise. This argument does not appeal to me at all. I did not think that Shri Heda is a lawyer.

**Shri Heda:** I do not plead his case. If he is convicted in some proceedings that is all right. There may be merely some proceedings against him; and until that is not finalised he may not be allowed to represent any case.

**Shri Morarji Desai:** I do not think that that will be the meaning of this.

**The Deputy Minister of Finance (Shrimati Tarkeshwari Sinha):** He will be disqualified only if he is convicted.

**Shri Morarji Desai:** Only if he is found guilty of misconduct in his professional capacity by any authority entitled to institute disciplinary proceedings against him—and that will not be an officer of the Income-tax department.

**Pandit K. C. Sharma** (Hapur): And that will be the Bar Council.

**Shri Morarji Desai:** An order passed under this shall have effect before the income-tax authority. I cannot understand why it should not be so. Therefore, this argument does not appeal to me.

May I say, Sir, that instead of putting in an amendment to clause 295, we can put in an amendment to 282 (1), where we can say—'notice or requisition or intimation'. "Notice or intimation" may be added to clause 282(1) and also "any such notice or requisition or intimation" may be added to sub-clause (2).

**Mr. Deputy-Speaker:** It may be all right if "intimation" is added to clause 282(1). But then I thought that the rules may be made to provide for it. In the other case, if it is added, that would be like a summon to the civil court or something like that. The hon. Minister might consider it which would best serve the purpose. I have no objection.

**Shri Morarji Desai:** The purpose will be best served by including it in clause 295.

**Mr. Deputy-Speaker:** Very well for the other clauses, perhaps the rules which may be made will be enough or sufficient. The question is:

> "That clauses 282 to 294 stand part of the Bill."

*The motion was adopted.*

*Clauses 282 to 294 were added to the Bill.*

Clause 295—(*Power to make rules*)

**Shri Morarji Desai**: I beg to move:

Page 181, *for* lines 17 to 19, *substitute*—

> "(m) the form and manner in which any appeal or cross objection may be filed under this Act, the fee payable in respect thereof, and the manner in which an intimation would be served;" (99)

**Mr. Deputy-Speaker**: The question is:

Page 181, *for* lines 17 to 19, *substitute*—

> "(m) the form and manner in which any appeal or cross objection may be filed under this Act, the fee payable in respect thereof and the manner in which an intimation would be served." (99)

*The motion was adopted.*

**Mr. Deputy-Speaker**: The question is:

> "That clause 295, as amended, stand part of the Bill."

*The motion was adopted.*

*Clause 295, as amended, was added to the Bill.*

*Clauses 296 to 298 were added to the Bill.*

*Schedules I to V were added to the Bill.*

**Mr. Deputy-Speaker**: The question is:

> "That clause 1, the Enacting Formula and the Long Title stand part of the Bill."

*The motion was adopted.*

*Clause 1, the Eancting Formula and the Long Title were added to the Bill.*

**Shri Morarji Desai**: I beg to move:

> "That the Bill, as amended, be passed."

**Mr. Deputy-Speaker**: The question is:

> "That the Bill, as amended, be passed."

*The motion was adopted*

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15.33 hrs.

## DEMANDS FOR SUPPLEMENTARY GRANTS (GENERAL) 1961-62

**Mr. Deputy-Speaker**: The House will now take up the Demands for Supplementary Grants.

### DEMAND No. 18—EXTERNAL AFFAIRS

**Mr. Deputy-Speaker**: Motion moved:

> "That a supplementary sum not exceeding Rs. 1,56,15,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1962 in respect of 'External Affairs'."

### DEMAND No. 32—MISCELLANEOUS DEPARTMENTS AND OTHER EXPENDITURE UNDER THE MINISTRY OF FINANCE

**Mr. Deputy-Speaker**: Motion moved:

> "That a supplementary sum not exceeding Rs. 1,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1962 in respect of 'Miscellaneous Departments and other Expenditure under the Ministry of Finance'."

### DEMAND No. 34—GRANTS-IN-AID TO STATES

**Mr. Deputy-Speaker**: Motion moved:

> "That a supplementary sum not exceeding Rs. 1,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1962 in respect of 'Grants-in-aid to States'."

### DEMAND No. 42—MISCELLANEOUS DEPARTMENTS AND OTHER EXPENDITURE UNDER THE MINISTRY OF FOOD AND AGRICULTURE

**Mr. Deputy-Speaker:** Motion moved:

> "That a supplementary sum not exceeding Rs. 5,50,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1962 in respect of 'Miscellaneous Departments and other Expenditure under the Ministry of Food and Agriculture'."

### DEMAND No. 61—MINISTRY OF INFORMATION AND BROADCASTING

**Mr. Deputy-Speaker:** Motion moved:

> "That a supplementary sum not exceeding Rs. 75,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1962 in respect of 'Ministry of Information and Broadcasting'."

### DEMAND No. 73—MISCELLANEOUS EXPENDITURE UNDER THE MINISTRY OF LAW

**Mr. Deputy-Speaker:** Motion moved:

> "That a supplementary sum not exceeding Rs. 3,01,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1962 in respect of 'Miscellaneous Expenditure under the Ministry of Law'."

### DEMAND No. 85—MISCELLANEOUS DEPARTMENTS AND OTHER EXPENDITURE UNDER THE MINISTRY OF STEEL, MINES AND FUEL

**Mr. Deputy-Speaker:** Motion moved:

> "That a supplementary sum not exceeding Rs. 2,75,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1962 in respect of 'Miscellaneous Departments and other Expenditure under the Ministry of Steel, Mines and Fuel'."

### DEMAND No. 132—CAPITAL OUTLAY OF THE MINISTRY OF STEEL, MINES AND FUEL

**Mr. Deputy-Speaker:** Motion moved:

> "That a supplementary sum not exceeding Rs. 4,58,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1962 in respect of 'Capital Outlay of the Ministry of Steel, Mines and Fuel'."

**Shri Amjad Ali** (Dhubri): All of us have not received copies of the cut motions.

**Mr Deputy-Speaker:** In the morning we were told that most of the Members have received them. Those Members who have received them may speak now, and the others may listen to them. Then, I shall call upon others. We have three hours for all the demands. Can all of them be taken together or does any hon. Member want to apportion time for each demand?

**Shri Chintamoni Panigrahi** (Puri): I think they can all be taken together.

**Shri Tangamani** (Madurai): What about the cut motions, Sir? When are they to be moved?

**Mr. Deputy-Speaker:** Those who want to move their cut motions may mention the number of their cut motions and pass it on to the Table within 15 minutes.

**Shri Chintamoni Panigrahi:** Mr. Deputy-Speaker, Sir, I have cut motion Nos. 4 and 10, reading thus:

[Shri Chintamoni Panigrahi]

*Payment of additional subsidies to Sikkim and Bhutan for financing their Plans*

"That the demand for a supplementary grant of a sum not exceeding Rs. 1,56,15,000 in respect of External Affairs be reduced by Rs. 100".

*Payment of subsidy to the sugar industry for meeting the loss on export of sugar*

"That the demand for a suplementary grant of a sum not exceeding Rs. 5,50,00,000 in respect of miscellaneous departments and other expenditure under the Ministry of Food and Agriculture be reduced by Rs. 100."

My cut motion No. 10 relates to the Ministry of Food and Agriculture. The hon. Minister has stated in the note that an additional amount of Rs. 5.5 crores is required for payment of a subsidy to the Indian sugar industry for meeting the losses incurred on the export of sugar to the USA and Malaya. There was some discussion also with regard to the sugar position very recently in this House. Now, the work of export of sugar has been allotted to two agencies. One is the Indian Sugar Mills Association and the other is the State Trading Corportion. When the debate took place in the House, it was not clarified how the State Trading Corporation is going to meet the losses which the Corporation would incur in the export of sugar to some countries.

**The Deputy Minister of Food and Agriculture (Shri A. M. Thomas):** The State Trading Corporation does not come into the picture.

**Shri Chintamoni Panigrahi:** It has been said in the statement that both the State Trading Corporation and the Indian Sugar Mills Association are exporting sugar. The Government have said that the sugar to be sold to the USA will be sold only by the Indian Sugar Mills Association and the sugar to be sold to other countries like Malaya, Iran, etc., will be sold by the State Trading Corporation.

**The Minister of Food and Agriculture (Shri S. K. Patil):** The sugar will be sold only to USA and Malaya, and that is not by the State Trading Corporation.

**Shri Chintamoni Panigrahi:** Then, how is it we are going to export 3.17 lakhs tons of sugar? If it is to be exported only to USA, then, according to your own statement, which has been furnished, it is only 1.87 lakh tons and not three lakh tons.

**Shri S. K. Patil:** The hon. Member is making a little confusion as between short tons and long tons. Unfortunately, there is the difference. I do not know why it should be so. But it is so. 225,000 tons which are to be sent to USA are in short tons, and they make 178,000 long tons. So, it is like that in everything. Therefore, sometimes there is a jumble between the short and the long ton.

**Shri Chintamoni Panigrahi:** I am glad that the position has been clarified.

**15.38 hrs.**

[SHRI HEDA *in the Chair*]

When the subsidy was going to be worked out, the hon. Minister said that they are going to give a subsidy of Rs. 5.5 crores for promotion of export of sugar to USA and Malaya. Why was it that the Government ashed the State Trading Corporation to export sugar to Iran and Pakistan where the loss incurred would be more? When the Corporation was given the chance of doing so, the deal could not come about, because the Government of Pakistan later did not want to purchase sugar from India, nor did the Government of Iran want to purchase it because of the price. Here is something on which I would like to have some clarification from the hon. Minister, because we know that the Government of India entered into an agreement with the Pakistan and Iran Governments for the export of sugar. Neither Pakistan nor Iran agreed to purchase sugar from India. I think that on this point we must get some further clarifications.

Regarding the subsidy of Rs. 5.5 crores, the points on which I need clarification is whether this subsidy includes freight charges in the matter of the sugar which is going to be delivered at the USA ports.

Secondly, I want to know whether the relief being given to the mill-owners in respect of excise duty and the cane cess are also included in this figure of Rs. 5.5 crores or not. If they are not included, the loss is going to be more than what has been calculated by the Government. My calculation is the loss is actually going to be more than Rs. 8 crores to earn a foreign exchange of Rs. 12 crores. The hon. Minister should let us know, therefore, to what extent they are going to give relef to the sugar mill-owners in regard to excise duty and also whether the cane cess is included or not. That will give an idea as to the exact loss that the Government are going to incur for exporting sugar to United States and Malaya.

When there was shortage of sugar in this country, the hon. Minister, Shri Patil, said that the standard of living is increasng; the people want to eat more sugar and so there is more demand for sugar in this country. But during those debates, this point could not be clarified as to why during the last three years, after Shri Patil took charge of the Food and Agriculture Ministry, on the one hand the production of sugar has gone on increasing to the extent of nearly 30 lakh tons, but on the other hand the consumption of sugar remains static at 20.5 lakh tons. It was calculated in the second Plan that the consumption of sugar at the rate of 75,000 tons per year will increase to nearly 23 lakh tons. When according to the hon. Minister the standard of living of the people is ever increasing and there is more of sugar in this country, why is it that the people are eating less and less sugar?

I put a question in this House as to why sugar is selling in the market at a retail price of Rs. 1.75 per seer in Orissa. The Minister said that the State Government has informed them that nowhere in Orissa sugar is selling at that price. I cannot accuse the Minister here, because whatever quantity is being given, it is being given to the nominees of the State Government. The Minister has taken charge of production of more sugar in this country, but when the question of equitable distribution of sugar comes, he says, "What can I do? I give to the State Government the prescribed quota. I cannot help if it is sold dear or cheap." But recently, the Minister had said that he would look into this question as to whether the different State Governments try their best to see that sugar is really sold to the consumers at cheaper prices. I do not know what efforts have been made during these days after the Minister gave this assurance. But to my knowledge, sugar is not available and the retail sellers in the various States are not getting even the required amount of quota of sugar from the dealers. So, naturally sugar is sold at higher prices in the market to the consummers though plenty of sugar is available in the country.

The second point which needs clarification from the Minister is this. He had said that the Government will shortly recast the sugar policy with a view to stepping up internal consumption and regulating the export trade. So far no such clear-cut policy has been enunciated by the Minister. As to how this loss of more than Rs. 8 crores to earn a foreign exchange of Rs. 12 crores is going to be distributed and who is going to bear this loss in the notes to Demand No. 42 no such clarification is given by Government.

We would also like to know what has happened to the efforts of the

[Shri Chintamoni Panigrahi]

Government of India to sell sugar to other countries apart from USA and Malaya, because we hear that when the Government of Iran offered £24 per ton, the Finance Ministry rejected this proposal, because it was of the opinion that the Government of India had to incur more loss. But how is it that when the Pakistan Government offered £23 per ton, it was accepted to be an economical offer, although afterwards the Pakistan Government withdrew the offer. We would like to know how this thing happened, whether the Finance Ministry was not in consultation with other Ministries, whether there was no co-ordination, so that these deals with Pakistan and Iran could have been effected.

I shall now refer to my cut motion No. 4 which relates to the payment of additional subsidy to Sikkim and Bhutan for financing their plan. Recently the Prime Minister said that though the Government of India went all the way to help Nepal in its development plan, the people of Nepal did not know much about the financial help that the Government of India is giving to them. Recently King Mahendra of Nepal has come out with a contradiction that full publicity has been given to whatever help India gives to Nepal.

We were told that the Government of India has given a help of Rs. 3 crores to Sikkim during the last three years. We were also told that the Government of India has decided to give Rs. 8 crores as financial aid to Sikkim and Bhutan. A few months ago a delegation from Sikkim came here by the name of Sikkim National Congress. They said that the people of Sikkim had no say in the Government of Sikkim. So, the question is whether the people of Sikkim and Bhutan know about the help India is giving for their development and whether the people of those countries are really associated with the execution of these things, because the feeling is whatever help we are giving, the people of those countries are not associated with the execution of these thinsgs, there being no popular Government in those Himalayan Kingdoms. So, when the Government of India is giving this amount, it must really see that the amount is spent for the development of the areas. I do not know whether the Government of India or our Planning Commission officers are very much associated with the planning body of Sikkim and Bhutan. This clarification will help us to know whether the India Government is really being understood properly by the people of these areas.

**Shri S. M. Banerjee** (Kanpur): I should like to confine myself to Demands Nos. 12, 42, 61, 7, 85 and also Demand No. 111. Regarding Demand No. 12, the note says:

> "An officer of the erstwhile state Forces was retired on the 1st April, 1950 and granted a pension. Not satisfied with the rate of pension granted to him, he filed a civil suit for enhancement of his pension . . ." etc.

The case is narrated here. I feel that it is high time the pension rules were revised. There is a general feeling among the Armed Forces and also civilian Government employees that the pensionary benefits are too inadequate to meet the higher cost of living. There is a movement now going on among the retired employees—both in the Armed Forces and civilian Government employees. I would submit that this matter should be reconsidered not only by the Defence Ministry, but by the Finance Ministry also to see that the pensionary benefit is increased.

Coming to Demand No. 42 regarding sugar, the favourite subject of ours, the Members of Uttar Pradesh and also the hon. Minister, I would only request the hon. Minister to throw some light on the points raised by my hon. friend Shri Panigrahi, whether this amount of Rs. 3.5 crores is inclusive of freight charges and what excise duty we are going to lose. We want to know what is the total loss, whether it is going to be Rs. 8 crores or Rs. 10 crores to earn the foreign exchange of Rs. 12 crores. That is a matter which is of equal interest to the country at large, and I wish that this should be clarified in this House.

Speaking on the same problem of sugar prices etc., the other day when the question of sugar prices was being discussed here, the hon. Speaker observed, why not give the subsidy of Rs. 5.5 crores to the consumers. He also felt just like a common man is feeling in the country, that the price of sugar is so much that he is unable to consume more. What is happening to that? May I know what steps have been taken by Government to control the price of sugar, to bring down the cost of sugar? Naturally, I would like to know from the hon. Minister who is here what they are doing to have a free movement of sugar. I want to know whether those inter-State restrictions have been removed. They have been removed in some ways in some States, but I would like to know what steps have been taken to see that sugar is available everywhere in larger quantities so that the consumers are also benefited.

Then comes the question of rehabilitation—Demand No. 7. This particular item deals with certain evacuee properties. A strange thing has come to my notice. You know, Sir, better than I, that an evacuee property at 7, Jantar Mantar Road, a building which is occupied by the All India Congress Committee, belonged actually to one Nawab. It actually belonged to out one Sardar Dharam Singh who was a contractor in Delhi. In 1946 he died and later on it was sold to one Nawab Abdul Hassan—I speak subject to correction—but the sale deed etc. were not finalised. In the meantime the Nawab also died, and therefore it became an evacuee property. I would request the hon. Minister for Rehabilitation to kindly let me know whether it is a fact that 7, Jantar Mantar Road which is an exacuee property and which is now occupied by the All India Congress Committee has been purchased by the All India Congress Committee at Rs. 6.5 lakhs or not. My information is that this particular building is valued at Rs. 16 lakhs. It is situated in a total area of 4½ acres of land. I would like to know whether any auction was held? In 1959—most probably in March 1959?—I know, a small notice was pasted on the gates of this building saying that the building was going to be auctioned without giving any other information to anyone. Then the auction was postponed. Something took place and most probably the representatives of the ruling party thought that it might result in a public controversy. So the deal was not finalised. Again the same thing happened. I want to know who were the bidders. If this building has been purchased by the All India Congress Committee, I would like to know who were the other bidders or whether the All India Congress Committee was the sole bidder? If they have purchased it, I would like to know what is the actual value of this property at 7, Jantar Mantar Road, and whether it is a fact that they have got it for Rs. 6½ lakhs.

Sir, since this has resulted in a serious public controversy I would like to know the actual facts. Some people who are staying in the outhouses approached me saying that they have been asked to vacate the premises. There is an order of the Chief Settlement Commissioner that nobody should be asked to go out. For your information, Sir, and the information of the House, I will read out that letter. This is an order dated 10th July 1961 from the Chief Settlement Commissioner. It says:

> "It has been ordered that in further no eviction in Delhi should

[Shri S. M. Banerjee]

be resorted to from any of our properties whether acquired, unacquired, government built or composite properties without prior approval from this office. I am to add that if any case comes to notice where eviction has taken place without such approval disciplinary action will be taken against the officer concerned which might even result in his dismissal from service. Similar orders have also been passed regarding demolitions of above categories of properties. No demolitions should be made without prior approval from this office.

You should, therefore, make a specific note of these orders and follow them strictly. You should also issue immediate instructions in this behalf to the concerned officers working under you.

Please acknowledge receipt of this communication."

But, Sir, 17 families who are staying in this evacuee property at 7, Jantar Mantar Road occupied by the All India Congress Committee have been asked to go out. I do not know whether these orders are not being applied in this case simply because the All India Congress is occupying it, it is going to acquire it or it has purchased it. Since as I said, this has raised a public controversy, I would respectfully submit to you and through you request the hon. Minister to let us know whether No. 7, Jantar Mantar Road is an evacuee property, what is the value of it, whether the All India Congress Committee has purchased it and, if so, whether the deal was a shady deal and nobody was allowed to bid and so on. I would request some light to be thrown on these points.

Then I come to Demand No. 85 regarding coal movement to the south. Nothing has been done in the south.....

**The Minister of Rehabilitation and Minority Affairs (Shri Mehr Chand Khanna)**: Sir, I rise to a point of order. I came to the House only just now. I heard the hon. Member making a reference to a certain house having been sold or something like that. In the first place, I do not know what relevancy this has got to the subject under discussion. Secondly, I might say for your information, Sir, that the hon. Member himself has tabled a question which has been admitted and which is coming up for reply on the 5th of next month.

**Shri S. M. Banerjee**: May I submit Sir, that because a question is tabled .

**Mr. Chairman**: Order, order. The hon. Minister was a little late in raising his point of order. In fact, the hon. Member Shri Banerjee has made the point that he wanted to make and he has switched on to some other point. Now the only course left is for the hon. Minister to reply to the point raised by him. Had he raised this point of order earlier I would have considered it.

**Shri S. M. Banerjee**: Then I come to Demand No. 111. That again relates to the Defence Ministry. Here, a contractor filed a suit against the Government of India for a sum of Rs. 34,000 on account of the refund of security deposit and payment of the final bill and damages for late issue of stores etc., in connection with certain works executed by him for the Military Engineering Service. The suit was decreed in his favour for Rs. 23,177. Sir, ever since I have come to this House I have been pleading both with the Defence Minister and also the Finance Minister to abolish the contract system in the MES. In doing so, my feeling was that this was the root of all corruption in the Defence Ministry. I have cited many examples. I can cite one example here. In Lucknow a building was constructed known as *suryodaya*—Sunrise. It is a huge building. But only one month after its completion it has become "Sunset" and it has started leaking. That is the work done by contractors in Lucknow. This building houses the office of the Chief Engineer, Eastern Command. So I would request that the contract system should be done away with.

**15.59 hrs.**

[MR. SPEAKER *in the Chair*]

With these words, Sir, I would once again request the hon. Minister for Rehabilitation who has come just now to let us know, whether 7, Jantar Mantar Road is an evacuee property and the reasons why it has become the subject of public controversy in Delhi and other places. I want to know whether this has been purchased by the All India Congress Committee at Rs. 6½ lakhs without allowing anybody else to bid.

**16 hrs.**

**श्री आसर** (रत्नागिरि) : अध्यक्ष महोदय, सप्लीमेंटरी डिमांड्स पर मैंने कुछ कटौती प्रस्ताव रखे हैं, जो कि डिमांड्स नं० १८, ३४, ४२, ६१ और ७३ के सम्बन्ध में हैं और उन पर मैं अपने विचार व्यक्त करूंगा ।

सबसे पहिले मैं एक्सटरनल एफेयर्स मिनिस्ट्री की डिमांड पर कुछ कहना चाहता हूं । हमारे जो एम्बेसी और मिशन हैं उन पर इतना पैसा खर्च करते हुए भी उनसे जो परपज सर्व होना चाहिये था वह नहीं हो रहा है । हमारे खिलाफ विदेशों में प्रचार जो हो रहा है उसका जवाब देने के लिये हमारे एम्बेसीज और मिशन्स की ओर से जो प्रयत्न होना चाहिये वह नहीं हो रहा है । इसका एक ताजा उदाहरण अभी सामने आया जब जनरल अयूब खां हाल में अमरीका गये थे । उन्होंने वहां जाकर हिन्दुस्तान के बारे में और प्राइम मिनिस्टर के बारे में बहुत सी बातें कहीं । उनके जवाब में हमारा दृष्टिकोण जिस सफाई से रखा जाना चाहिये था वह नहीं रखा गया । इस लिये इस बारे में उनको विशेष इंस्ट्रक्शन जारी की जानी चाहिये ।

दूसरी बात मुझे यह कहनी है, जैसी कि आज सुबह राजा महेन्द्र प्रताप ने कही थी, कि हमारे जो देशवासी विदेशों में जाते हैं उनको इन एम्बेसीज और मिशन्स से उचित सहायता नहीं मिलती । जो लोग वहां जाते हैं उनको आशा होती है कि हमारे एम्बेसी वहां है और उनकी ओर से हमको अच्छी तरह सहायता मिलेगी, लेकिन ऐसी सहायता नहीं मिलती और उन लोगों के साथ अच्छा वर्ताव नहीं किया जाता । इस ओर भी ध्यान देना चाहिये ।

दूसरी बात यह है

**Mr. Speaker:** The hon. Member may continue his speech tomorrow.

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**16.01 hrs.**

PRIVILEGES—*contd.*

**Mr. Speaker:** I will now take up the question of privilege and the letter from Shri Karanjia. I adjourned it this morning till 4 O'Clock so that we can have the authoritative decision of the Supreme Court. The whole matter arose out of a letter which he wrote to me and which I have already read to the House. I sent a summons to him in pursuance of the resolution by this House adopting the report of the Privileges Committee, which says that he must be brought here to the Bar of this House to be reprimanded for the article published in an issue of *Blitz*. I have read out the letter which he wrote to me. I would again draw attention to portions of this letter to decide as to whether any of the amendments tabled by Shri Tangamani are in order. He says in his letter:

[Mr. Speaker]

> "I am in receipt of hte summons dated the 21st day of August....
>
> I should have been happy to be able to respond immediately to your summons and appear at the Bar of the Lok Sabha as directed by you. However, I have been legally advised that irrespective of the personal consequences to me, I should make an application to the Supreme Court, requesting the hon. Judges of the Supreme Court to reconsider the judgment given by them in the *Searchlight* case As a consequence, an application is being filed by me in the Supreme Court today or tomorrow in this behalf.
>
> Allow me to essure you that this application is being filed only with a view to getting a proper decision from the highest judical tribunal of the land on questions of principles which affect the citizens as well as Lok Sabha equally. As I have stated before, I am completely in your hands and willing to take the consequences of the article published on 15th April 1961 in BLITZ which, to my great regret, has become the subject matter of the Privileges Committee's adverse report on me.
>
> I, therefore, pray that the date for my appearance in the Lok Sabha be extended by a fortnight."

According to him, the chief reason is "I have been advised that the decision of the Committee is based on the decision of the Supreme Court in the *Searchlight* case which can be reviewed and, therefore, I would like to have an authoritative pronouncement by the Supreme Court once again in this matter. To enable me o do so, please give me a fortnight's time." The House was not in a hurry. This morning when it was suggested that we might await the decision of the Supreme Court—we are bound to abide by it—the House agreed.

I have got before me a copy of the message of the PTI. One of our officers was also present there. The message reads:

> "The Constitution Bench of the Supreme Court today dismissed the writ petition filed by Mr. R.K. Karanjia, Editor of *Blitz*, and Mr. A. Raghavan, Delhi Correspondent of the Weekly, challenging the decision fo the Lok Sabha holding them guilty of breach of privilege and of contempt of the House and asking Mr. Karanjia to appear before the House to receive the reprimand."

Shri Karanjia challenged the decision by way of a writ petition. That writ petition has been dismissed. Even if the writ petition had been admitted, unless an interim injunction or an interim stay of further proceedings here was issued, we could proceed with the matter. We may have to respect it if a writ is found to be valid and stay order is issued. We have to abide by it. But no stay order has been issued. On the other hand, the writ petition itself has been dismissed. Therefore now there is nothing more pending before the Supreme Court which could revise its own decision in the *Searchlight* case. The Supreme Court has come to be definite conclusion so far as this matter is concerned. Therefore the purpose for which Shri Karanjia wanted time no longer exists. That has been disposed of. Originally perhaps he expected that it would take a month or two to dispose of. But now it has been disposed of within a week and nothing prevents us from saying, "The matter has been disposed of; please come here." The ground on which he sought time no longer exists.

I understand Shri Karanjia is here. He has come here in connection with this case. A point was raised by some hon. Members whether we should not give him time. Of course, he must be here and take the consequences. If the Supreme Court should grant the stay, he could easily go back. But if the stay is not granted, he must come here tomorrow. In view of this, I think there is no more necessity for any of the amendments because the writ petition has been dismissed. There is no other ground of illness or anything of that kind for extension of time.

**Shri Tangamani** (Madurai): You were pleased to observe that my motion was not in order.

**Mr. Speaker:** No. It is not that originally it was not in order.

**Shri Tangamani:** May I explain my position?

**Mr. Speaker:** I am not saying that it was originally not in order. I say that in view of this, it is no longer necessary. Everything arose from the original matter.

**Shri Tangamani:** You were pleased to read the letter of Shri Karanjia on Saturday. At that time you were also pleased to observe that if any hon. Member wanted to move for extension of time which was demanded by Shri Karanjia, the House would consider it.

**Mr. Speaker:** No. no. I am sorry. He will kindly resume his seat. I will allow him an opportunity. I am not going to dispose of this now. I will hear him. The point is this. If Shri Karanjia wanted time, it is of course open to this House to grant him time. But for what purpose? He wanted it for the purpose mentioned by him. He said, "Within a day or two an application is being filed by me in the Supreme Court in this behalf." The one ground that he mentioned was the writ petition which was being filed in the Supreme Court. If the Supreme Court went on adjourning it, naturally he might need time. He thought that within a fortnight he would be able to persuade the Supreme Court to come to one decision or the other. Now the Supreme Court did not want to wait for a fortnight and disposed of it today. Under these circumstances there is no more ground. Let Shri Tangamani convince me and the House. The very basis or the foundation of Shri Karanjia asking for time is lost. Shri Karanjia wanted time for the purpose of enabling him to file a writ petition and to get the decision of the Supreme Court. The writ petition has been dismissed. What is the meaning of an hon. Member of this hon. House saying that Shri Karanjia must be granted time when the very object of it has disappeared, unless a new motion for some other purpose comes in? I will hear Shri Tangamani for five minutes.,

**Shri Tangamani:** You were pleased to observe that if anybody moved for grant of time to Shri Karanjia, it would be placed before the House.

**Mr. Speaker:** No. What is the meaning of this? I never said that. He need not quote my previous decision.

**Shri Tangamani:** We have not been served with any summons. It was only a question of admission. As you yourself know, the question of admission as such is generally decided *ex parte*. But by way of abundant caution a motion had been moved, which was adopted, authorising the Attorney-General to represent you and the Secretary when the matter came up before the Supreme Court today. Now, Sir, the report of the P.T.I. was read out to us. Because Shri Karanjia had made it clear that he wants time since he is moving the Supreme Court and we have also taken cognisance of it, is it not necessary for us to wait for an authoritative communication from the Supreme Court?

**Some Hon. Members:** No. no.

**Shri Tangamani:** I am only thinking of what happened in the past.

**Mr. Speaker:** I have given him five minutes. Let him go on.

**Shri Tangamani:** I will abide by your decision. What I want is this. We have taken notice of the letter of Shri Karanjia where he says that he is moving the Supreme Court. We have also authorised the Attorney General to appear on our behalf before the Supreme Court. If that petition for admission in the Supreme Court has been dismissed, naturally, we will get a communication.

**Shri Naushir Bharucha** (East Khandesh): How do you get a communication?

**Shri Tangamani:** You are aware that a communication has to go through a certain procedure. It may take one or two days.

**Some Hon. Members:** No, no.

**Mr. Speaker:** The hon. Member is a lawyer. Have the parties been ever intimated by any correspondence by Judges that your suit has been dismissed? You are asked to be present.

**Shri Tangamani:** There will be an order of the court and the order of the court will have to be properly taken.

**Mr. Speaker:** Whoever is a party to a cause, a notice will be posted in the cause list that such and such a case will come up for admission or disposal. It is the duty of the persons to take note of it. I have taken notice of it. This House has taken notice of it. We cannot now say that it was open to the Supreme Court to decide it *ex parte*. No court gives intimation unless it wants to arrest and it may send a summons or a warrant of arrest.

**Shri H. N. Mukerjee** (Calcutta Centra): Could I point out, Sir,....

**Mr. Speaker:** Has Shri Tangamani finished? No. I am not going to allow anyone else till he has finished.

**Shri Tangamani:** Even though it was only a question of admission, both sides, the counsel for the petitioner and the counsel for the respondent have been heard for nearly two or three hours and naturally, an order will be there upon hearing the contentions of both the parties.

**Some Hon. Members:** How do we know that?

**Shri Tangamani** I know; I was in the court.

I am prepared to accept your position. But, the point is, by way of abundant caution, for future......

**Mr. Speaker:** Order, order: may I put one question?

**Sardar Hukam Singh** (Bhatinda): If he was present, he may tell us the order. That we shall take as communication.

**Mr. Speaker:** If he was in court, did he not wait sufficiently to hear the order? Did he come away as soon as the arguments were over? He heard the order, I think?

**Shri Tangamani:** I was not there when the order was actually passed. I left word and came here. I have received a telephonic communication that the petition has been dismissed. That information I am prepared to give. My difficulty is this. If we had not taken note of the proceedings in the court, that question does not arise because we have not received summons. Irrespective of the letter from Shri Karanjia, you are at liberty to summon him. Absolutely, I will be out of court with a motion like this. Because you were pleased to take notice of a position that has taken place in the Supreme Court, is it not necessary that the communication reaches us in the proper manner?

**Some Hon. Members:** No, no.

**Shri Tangamani:** It may be even twenty-four hours. This is my only point. Otherwise, I also agree with you that his petition has been dismissed.

**Shri H. N. Mukerjee**: I only want to embellish what he has said. Because, I feel that since, on Saturday, you took notice of this matter and also adopted certain proceedings, about which we may have our own reaction, it is necessary for us, to be on the safe side, to wait at least for a certified copy of the order. Without a certified copy of the order being produced, we are here in Parliament. Since we have once taken cognisance of a matter which is before the Supreme Court, which we need not have done—perhaps some of us might think that way—it is necesary to follow the steps of the proceeding in a proper manner. Therefore, the heavens would not fall if there is a delay of a day or two. I do not know what the Supreme Court procedure here is. But in any High Court you will have to take a certified copy of the order, and without that you cannot take any further steps in a matter of this nature.

**Dr. Ram Subhag Singh** (Sasaram): This is unnecessary.

**Sardar Hukam Singh**: May I say a word? Whether rightly or wrongly, opinions may differ. We had as Shri H. N. Mukerjee has said, taken cognizance of the matter; we had instructed our lawyer to be there. We were parties to that action, and we were present in the court. The orders were announced in our presence. And now, we have been told that this is the order, and the House knows it. Where is the need for waiting any longer now to think as to what is to be done? We were parties to the action, and we were present in the court. The orders were announced in our presence. And the Speaker has conveyed the orders to the House now. Where is the need now for waiting for some other information or for the certified copy?

**Shri H. N. Mukerjee**: An authorised statement is necessary. Even the Prime Minister, these days, issues an authorised explanation of his statement in Parliament. So, I want an authorised statement of what happened in court.

**Shri S. M. Banerjee** (Kanpur): May I make a submission?

**Mr. Speaker**: I am not going to allow.

**Shri S. M. Banerjee**: Not about this thing.

**Mr. Speaker**: There is nothing more to be said now.

**Shri S. M. Banerjee**: Then, you must rule out my motion.

**Mr. Speaker**: Now, there is no question of any motion.

The whole thing has arisen on account of the letter of Mr. Karanjia requesting for time for a definite and particular purpose, namely to enable him to file a writ petition. I was made a party, that is, the Speaker of the House was made a party, and the Secretary and the Under-secretary were also made parties. The other day, it was brought to the notice of the House. Now, the House could wait indefinitely, or the House, since it found that the privileges were broken and any number of other persons also could do likewise, might want him to be called to the Bar of this House; and the House was always prepared to take into consideration any reasonable request, and, therefore, it was that this matter was placed before the House. And, to represent the case of this House or what the House feels, the Attorney-General was also clothed with *vakalath* and power to appear. And he appeared.

Our Deputy-Secretary who has been in charge of watching all the proceedings, on our behalf, on my behalf and on behalf of the Secretary and the Under-secretary who were parties to that, comes and tells me that the writ petition has been dismissed. If I were there, and I being a party, com-

[Mr. Speaker]

municate it to the House that the writ petition was dismissed, would this House ask me to produce a certificate or a document?

**Dr. Ram Subhag Singh:** No.

**Mr. Speaker:** When Mr. Karanjia wrote to me, did he file a copy of the writ petition here? Hon. Members are prepared to accept Mr. Karanjia's statement, not the statement of my Deputy-Secretary! It is rather surprising.

**Shri H. N. Mukerjee:** It is a matter dealt with by the court. So, we must get an authorised or certified copy. (*Interruptions*).

**Mr. Speaker:** It is not proper for hon. Members to go on in this manner. There is absolutely no doubt, and I have no doubt in my mind, that the writ petition was dismissed. Shri Tangamani himself—on whose behalf he went there, I do not know—says so.

**Dr. Ram Subhag Singh:** On Mr. Karanjia's behalf.

**Mr. Speaker:** It is open to any person in the world at large to go and attend the public proceeding in a court. All can go. The hon. Member Shri Tangamani took interest, and he was waiting there; he was interested in finding out what exactly the result also was. And his good friend who was there watching the proceedings sent him a telephonic message that the writ petition was dismissed.

Now, I am doubly sure that the writ petition was dismissed. Therefore, under these circumstances, I rule these other motions out of order, for the reason that there is no basis for these motions.

Now, the only point which the hon. Member raises is this: he did not press it this way; he wants an authoritative statement, and he says: let us apply for a copy of the proceedings. The Supreme Court will take its own time to give it; in the meanwhile, the extension of time that Mr. Karanjia wanted will certainly be available to him not for the purpose of enabling him to file a writ petition, but even independently of it; that will give the impression that the House does not care to execute its own orders or directions, and it goes on indefinitely, and it does not have a mind of its own. I do not want to create that impression. Of course, all reasonable opportunities must be given to a person who is an accused, if there is a *bona fide* ground; or if he expects that the Supreme Court will reverse its judgment or modify its judgment, then, certainly opportunities must be given.

That is why we did not rush through with these matters.

Under the circumstances, there is no more reason for allowing any further time. I am sure the House will agree with me that Shri R. K. Karanjia must appear before the Bar of the House, as directed in my summons, tomorrow.

**Several Hon. Members:** Yes.

**Shri S. M. Banerjee:** Is no further intimation necessary? How is he to know?

**Mr. Speaker:** He should know.

Let us proceed to the next business.

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16.21 hrs.

## MOTIONS RE: FLOOD SITUATION

**Shri Goray** (Poona): I beg to move:

> "That the statement on the flood situation in the country laid by the Minister of Irrigation and Power on the Table of the House on the 7th August 1961, be taken into consideration".

**Shri Chintamoni Panigrahi** (Puri): May I be allowed to move my Motion also?

**Mr. Speaker:** Very good. We will sit till 6 P.M.

**Shri Chintamoni Panigrahi:** We are continuing it tomorrow also.

**Mr. Speaker:** We are just starting today. Tomorrow we have another discussion. So what remains today will be carried over to day after tomorrow.

Hon. Members will have 10 minutes each normally and 15 minutes at the most.

**Shri Goray:** We are thankful to you for having given this opportunity to discuss the flood situation in the country.

It seems that floods have become a hardy annual, but this year it seems the floods have occurred in the most unexpected areas. The statement made by the Minister on the 7th August has admitted that in States like Kerala, Madras and Mysore where normally floods do not occur, this year floods have occurred, and with disastrous consequences.

So far as floods are concerned, Government have devised ways and means of dealing with them. They have tried their utmost to minimise the evil effects of such natural calamities. We have been told that there is a Central Flood Control Board; there are other bodies also like the Ganga River Commission the Brahmaputra River Commission, the North-West Rivers Commission, the Central and Daccan Waters Commission *plus* the Central Water and Power Commission. All these bodies have been doing their best to see to it that the damage done by the floods is minimised, if not altogether averted. In spite of all this, we are finding that floods are taking a heavy toll of life and property spreading ruin and disaster throughout the country. Very near the place where we are meeting today, you find that the river Yamuna is playing havoc with the life of the people. Thousands of them have evacuated their houses. We are also told that a very grave situation has arisen in the eastern part of UP and people have to leave their hearths and homes. Thousands and lakhs of acres of land have been inundated.

Orissa too had its share of these floods. We find that Mysore also was affected. In Kerala, the losses are estimated at about Rs. 3 crores and so on. I do not want to blame the authorities. But I think they should wake up and take note of the fact that all the construction work that we are carrying on and all the crores of rupees that we are spending come to nought when such floods occur. In half an hour, two hours or within a day the labour, the money and all our construction come to nothing. This is the tragedy that is being inflicted on the people almost every year.

I come from a city which has been the victim of the floods, and they have occurred I suppose for the first time in the history of the city. I would like to point out that the city of Poona which has been the latest victim, was not a victim of natural floods. It will be wrong to say that it was a calamity which could not have been averted, that it was an act of God. It was due to the bursting of two dams, one at Panshet and the other at Khadakvasla. The Panshet dam broke at about seven in the morning on the 12th July, and after six or seven hours, the lower dam, that is the Khadakvasla dam, also gave way. We must thank the army authorities, because it was they who averted a bigger catastrophe by stopping the bursting of the dam or postponing it by about five or six hours. If this tragedy had taken place in the night, I do not know what the destruction would have been and how many lives would have been lost.

I want to know, so far as disasters of this kind are concerned, whether there is any provision to give compensation to those who suffer from such losses. This has become a moot point between the State Government and ourselves. I do not want that this point should be argued from a party point of view. It is a humanitarian problem, and this is something which

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I think points to our moral obligation to the people.

It has been argued that floods being natural calamities, nobody can ask for compensation. I would like to question that assertion also, because, after all, the people depend on the Government. The people toil in their fields and factories and build their houses believing that the engineering skill that is available will see to it that they are not made victims of the floods. But if they become victims and lose everything, should we leave them to the mercy of nature? That is the question I would like to raise.- I do not want to say that the Government is to be held responsible. I do not want to say that it is they who brought about the floods. I am not saying anything of the kind, but I would like the Government to take note of this question: when hundreds and thousands of people lose their property, should we not make some provision in the law by which it will be possible for these people to rehabilitate themselves?

I know food is given to them, some sort of clothing is given, some sort of huts are raised, but that is not enough. I do not know whether in America and England they can have a claim to full compensation. I am trying to find that out. But I have found out this much that very liberal rules have been made to see to it that the peasant is rehabilitated fully in those countries. It is not a question of giving him one or two dhoties, it is not a question of giving him Rs. 5 or Rs. 10 as *ex-gratia* payment. It is a question of rehabilitating him.

About the disaster in Poona I would like to say that 6,000 houses were lost and nearly 70,000 people were rendered homeless. They have lost all their property, their utensils, clothes, ornaments, everything. Factories have have been washed away, schools have been washed away, schools have have happened. I would like the Central Government to take a more active part, to take the initiative, in seeing to it that some authority is created to deal with the whole situation. It is not a question of only reconstructing Poona, but it is a question of reconstructing the whole Poona area, right from Panshet dam which has now broken, to the eastern-most point downstream where you find the floods inflicted the least damage. The whole area of nearly 25 miles will have to be taken up for reconstruction.

I would like to say that most crucial problems are facing the city of Poona. Wherever floods take place, the same problems would crop up; but in the city of Poona they are occurring on a massive scale because the destruction has been massive. The first difficulty that the Poona people will have to face is the shortage of drinking water. It is true that some make-shift arrangements have been made. But, after 2 or 3 months, I do not know whether the people of Poona will get water because just now the arrangement is to get water from the Mulshi dam which is also used for generating electricity which is supplied to the city of Bombay. If you want to take away a sizable portion of the water, then, what will happen is that the generating power will come down and the Bombay factories will suffer. Therefore, we have to find out a permanent solution to this problem; and these make-shift arrangements will have to be supplemented by arrangements which are long-term in their perspective.

I would like to stress upon Government that the Panshet dam will have to be rebuilt and the Kadakvasla dam also will have to be rebuilt. Though there has been some prejudice in the minds of people against earthen dams, one of which is Panshet dam, we shall have to educate people that there is nothing inherently wrong in earthen dams and that we shall have to put up such dams. Only we would have to see to it that some more care is exercised.

I do not want to blame any authority because a judicial commission has been appointed. Who was at fault and who gave advice and all that will come out in its own time. I do not want to blame anybody. But there is no doubt about the fact that there was some sort of disarray or mismanagement at the dam which was at the point of breaking. This particular news was not conveyed to the people of Poona. That one fact stands out very clearly. People in the city of Poona, even including the Minister of Information and Broadcasting who was there in the city then, did not know anything about it. They went about their business as usual; and, all of a sudden they found that the floods had overtaken them. (*Interruption*). Boys and girls in the Maharashtra Education College were going on with their experiments in the physics and chemistry laboratories at 10.30 when the waters started entering the hall. Then they left the hall. This was the state of affairs there.

I want to ask the Minister one thing. When such dams are built and more are likely to be built—I am not saying that they are constructed in such a way that they would give way; but they are likely to give way—when such emergencies occur what sort of arrangement is made to see to it that the information is carried to the people quickly and efficiently?

I am told that at Panshet there was no wireless set at all and the military people took their wireless set. The Collector did not know about it; or if he knew about it, he failed to convey the information to the people. The All-India Radio did not know about it and, certainly, the people in the city of Poona did not know anything about it at all. I know that Panshet and Kadakvasla are comparatively small dams, compared to the dams which we are constructing at Bhakra Nangal and Damodar and other places. They are giant dams. But supposing a calamity like this occurred, what will happen to the people down-stream? The whole State will be washed away. (*Interruption*). Whenever you construct such dams there must be fool-proof arrangements to convey the news to the people as quickly as possible especially when there are big cities like Poona down-stream and they are likely to be involved.

The other point I want to make is this. When the two dams have been broken it is not only the people of Poona that are going to be affected; the effect will be down-stream up to a distance of say 60 or 70 miles. The entire agricultural population depends on the waters of Panshet and Kadakvasla. Therefore, we will have to find means, and that too very quickly, to erect another dam at Kadakvasla as well as Panshet. The work has to be taken up at the Panshet dam very quickly, otherwise, what would happen is this. Nearly three-fourth of the dam is still standing there, but the long canals that you have dug—about 100 to 150 miles long—will be rendered useless. Therefore, I submit in all humility and with all the emphasis at my command, that while thinking of the third Plan allocations, we will have to increase the allocation for Maharashtra, because it is impossible for that State to rally enough resources to build these two dams, because the Panshet dam may cost about Rs. 4 crores. Kadavasla may cost another Rs. 4 crores to Rs. 6 crores. This Rs. 10 crores of additional money will be impossible for a State like Maharashtra to raise on its own. Therefore, I am pleading for extra allocation.

Then, just as you have formed an authority like the Deccan Rivers Commission, you should insist on the State Government that it should also form an authority which will deal with the entire development programme. The State Government has set up an authority which is confined to a small area. It deals with the Poona city which has been flooded. It says that it will see to it that houses are built and the area is kept clear. That is not enough. We have to deal with the entire area. That authority is too small to handle such a problem. There is the question of rehabilitating 60,000 people and hundreds of houses have to be provid-

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ed. Merely saying that a few huts are to be built by the State Government is not enough. You will have to see to it that these huts are built in plenty. The rent will be about Rs. 20 to Rs. 30 per hundred square feet in respect of these huts. Who can pay that? It is not possible for one authority alone to meet it. I know that it is a stupendous task. I would like, at the same time, to stress the aspect that if our engineers fail in this endeavour or task, then the people will get suspicious of our engineering skill itself. It is not a good thing to read in the papers every morning that a particular bund has given way or a dam has broken or there is a breach on a certain river, etc. It is not a good thing at all. It shows up our engineering profession in a very bad light. Therefore, I would like to say that it is not only the Ministry but the engineering profession as such that should sit together and consider whether they are not rather in a hurry. I have been told that they were in a hurry to build the Panshet dam. They wanted to finish the Five Year Plan in four years. It is very good, but they will have to calculate the risk involved to the reputation of the profession and also the life and property of hundreds of thousands of people who were perfectly innocent. We shall be very glad to have the dam built in four years which would ordinarily take five years, but we would not like to see that the dam gives way.

Therefore, the engineering authorities must be able to resist the pressure of the Government Ministers; even if the Ministers tell them that they must finish the work within a particular period they must have the guts to tell them that this is an engineering project and "you must not dabble in it." Because, ultimately, it is the fate of hundreds and thousands of people which is involved. It is not only a question of the reputation of the Ministers. I am not saying that such a thing happened at the Panshet dam. It is likely to happen elsewhere, and it might have happened in Hirakud or other dams. I would say that this is not a reflection on our engineers: not at all. When a mishap happened at the Bhakra Nangal dam, I had said in this House that it did not matter, when we are building hundreds of dams certain mishaps will take place.' It is no good our saying everything when such a mishap happens that our engineers are no good and that we must have foreign experts. I am against foreign experts being called in every time. Let us make mistakes; it does not matter. The mistakes are likely to prove sometimes very costly. But I know that some of the dams which have been built by foreign experts have also broken. One of the foremost engineers in the world, Mr. Coyne of France, built a dam in France which gave way last year or the year before last, and it involved the lives of thousands of people. A whole town was washed away and perhaps of the shock, the engineer died after six months. A foreign engineer is not a guarantee against all mishaps. But I would like the engineering fraternity to take note of this fact that when they are building dams and bunds, they are doing something in which the lives and fate of thousands of people are involved. I would say that the Ministry should do everything in its power to see to it that the best hands possible are used and if any mishap happens, the people are fully and adequately compensated.

**Mr. Speaker:** I shall give an opportunity to each State first and then give a second round if possible. Now, after Maharashtra, I will call U.P. Shri Braj Raj Singh.

**Dr. M. S. Aney** (Nagpur): After one Member from a State has spoken, will not another Member from the same State get an opportunity to speak? Myself and Shri Goray come from the same State.

**Shri Goray:** And are of the same view.

**Mr. Speaker:** The hon. Member has completely misunderstood me. The floods in the various States are under discussion. All sections of the House are interested in this irrespective of party politics. A number of States have been affected. I would like to call upon one Member from each State. In choosing a Member, I shall try to give as much representation as possible to various groups. If there is time, I will give a second opportunity to the same State in the second round.

**श्री ब्रजराज सिंह (फिरोजाबाद) :** अध्यक्ष महोदय, इस साल की बाढ़ ने उत्तर प्रदेश में बहुत ही भारी बरबादी की है। पिछले दिनों मंत्री महोदय ने इस बारे में जो बयान दिया, उसमें उन्होंने स्वयं स्वीकार किया कि उत्तर प्रदेश में १२६ जानें गई है, लाखों एकड़ भूमि पर फसल नष्ट हो गई है, लाखों लोग बेघरबार हो गये हैं और अब जब मैं आप के सम्मुख बोल रहा हूं, मेरी सूचना है कि यह संख्या १२६ से बढ़ कर १४५ तक पहुंच चुकी है। सिर्फ उत्तर प्रदेश का सवाल नहीं है, अब इस तरह की स्थिति हो गई है कि जब से सरकार ने बाढ़ को कंट्रोल करने के लिये कुछ कार्यवाही शुरू की है, तब से बाढ़ की गति बढ़ती जा रही है। चाहे उत्तर प्रदेश हो, या पंजाब या महाराष्ट्र या उड़ीसा या दूसरे राज्यों का सवाल हो, हम देखते हैं कि हर साल बाढ़ की प्रगति बढ़ती जा रही है।

**Mr. Speaker:** I want the Minister also to take note of this. In order that some useful result may be produced, hon. Members may give concrete suggestions. Whatever has happened, the point is how it is to be controlled, etc.

**Shri Khushwaqt Rai (Kheri):** But we have to point out the real situation

**Mr. Speaker:** The situation is only a base for the purpose of coming to certain conclusions.

**श्री ब्रजराज सिंह :** मैं यह निवेदन कर रहा था कि जैसे-जैसे सरकार की तरफ से बाढ़ को नियंत्रण में लाने की कारगुजारी हो रही है, वैसे ही उस की प्रगति बढ़ती जा रही है।

इस सम्बन्ध में पहली बात मैं यह निवेदन करना चाहता हूं कि सरकार इस बात पर विचार करे कि इस का कारण क्या है कि एक तरफ तो सरकार बाढ़ नियंत्रण करने की कारगुजारी करती है और दूसरी तरफ बाढ़ अधिक आती चली जाती है। मुझे लगता है कि इसमें कहीं कोई इस तरह की मौलिक गलती है, सरकार के बाढ़ कन्ट्रोल करने के तरीके में कोई ग़लती हो रही है, जिसकी वजह से बाढ़ आ रही है।

उत्तर प्रदेश के सम्बन्ध में मैं यह निवेदन करना चाहता हूं कि पिछले तीन, चार साल से आगरा, अलीगढ़ और बुलन्दशहर के जिलों में बाढ़ आती है। इस बार भी आगरा में बहुत जबर्दस्त बाढ़ आई। खुर्जा के पास एक नाला निकलता है, जो कि आगे जा कर नदी बन जाता है। उस नदी में पिछले चार साल से इस तरह की जोर की बाढ़ आती है कि उस के आसपास का दो, तीन मील का इलाका रेगिस्तान बनता जा रहा है और वहां कोई फसल नहीं होती है। मुझे बताया गया है—और कुछ मैंने अपनी आंखों से भी देखा है—कि सरकार की तरफ से जो विकास कार्य किये जा रहे हैं और नाले डाले जा रहे हैं, उसका नतीजा यह है कि पानी की मात्रा इतनी बढ़ती जा रही है कि वह छोटा नाला उसको नहीं ले सकता है और इस तरह बाढ़ आने लगती है।

मैं सरकार से यह जानना चाहता हूं कि क्या इस तरह की स्थिति सारे मुल्क में तो नहीं है। कहीं इस तरह की स्थिति तो नहीं कि विकास का कार्य अनियमित तरीके से हो रहा हो, सुनियोजित तरीके से न हो रहा हो, इस बात का विचार करके न

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हो रहा हो कि पानी के निकालने की अच्छी व्यवस्था हो ।

जब बाढ़ लगातार आ रही है, तब क्या सरकार की तरफ से इस तरह का उत्तरदायित्व लिया जा रहा है कि बाढ़ की वजह से जो लोग बेघर-बार हो जाते हैं, जिनका सर्वस्व नष्ट हो जाता है, उन लोगों के लिये सरकार अपनी तरफ़ से कोई प्रबन्ध करेगी, उनकी रोज़ी-रोटी की व्यवस्था करेगी, उन के गिरे हुए मकानों को फिर से बनवायेगी, उन की खेती नष्ट हो जाने के बाद उनको कोई धन्धा देगी चाहे वह खेती हो, चाहे कोई दूसरा धन्धा हो? जब कभी कोई विपत्ति आती है, तो किसानों के अलावा दूसरे क्षेत्रों में सरकार की तरफ से करोड़ों रुपये खर्च किये जाते हैं । यह दुर्भाग्य था कि देश का बंटवारा हुआ, जिसके परिणामस्वरूप लाखों लोग इस देश में आये और उन पर सैंकड़ों करोड़ रुपया खर्च हुआ । मैं उस की कोई शिकायत नहीं करता हूं । वह ज़रूर करना चाहिए था, क्योंकि उस में हमारी ज़िम्मेदारी थी और उस ज़िम्मेदारी की वजह से हमें पूरी तरह से उन लोगों की सहायता करनी चाहिए थी । लेकिन हम देखते हैं कि हर साल करोड़ों किसानों की सम्पत्ति और फ़सलें नष्ट हो जाती हैं, लाखों घर बरबाद हो जाते हैं । उस को फिर से बनाने के लिये, उन की भूमि को उपजाऊ बनाने के लिये सरकार की ओर से कौन से कारगर कदम उठाये गये हैं? मुझे अफ़सोस है कि जिन राज्यों में बाढ़ आती है, उनकी असेम्बलीज़ में इस बारे में बहस होती है, लेकिन उस के बावजूद सरकार की ओर से एक मोटी बात नहीं मानी जा रही है कि जिन के घर-बार बरबाद हुए हैं, उनको फिर से बसाया जायेगा । जब इस तरह की मांग की जाती है, तो सरकार उसको टालती है और उस की तरफ से यह कहा जाता है कि यह सरकार की ज़िम्मेदारी नहीं है, यह तो कुदरत का तमाशा है, यह तो प्रकृति का काम है, इस में हम कुछ नहीं कर सकते हैं । लेकिन मैं यह कहना चाहता हूं कि आज-कल जो बाढ़ें आ रही हैं, उनमें कुदरत का कोई हाथ नहीं है—यह सब तो सरकार की ग़लत योजनाओं की वजह से हो रहा है । इसलिये उस को यह ज़िम्मेदारी, यह उत्तरदायित्व सम्भालना पड़ेगा कि उस की ग़लतियों की वजह से जो नुक्सान हो रहा है, जनता के उस नुक्सान को वह पूरा करे ।

मैं पूछना चाहता हूं कि क्या सरकार इस तरह का हिसाब लगा रही है कि देश में पिछले साल जो बाढ़ आई, उससे कितने लोगों के घर बरबाद हुए । क्या उस ने इस आशय के आंकड़े इकट्ठे किये हैं कि पिछले साल की बाढ़ से देश में कितने लोगों की रोज़ी छीनी गई और अगर किये हैं, तो उन को कम्पेन्सेट करने के लिये, उन को हर्जाना देने के लिये, उन की क्षति-पूर्त्ति करने के लिये सरकार की ओर से कौन से कदम उठाये गये हैं । इस साल की बाढ़ से जो नुक्सान हो रहा है, हुआ है, उस की पूर्त्ति करने के लिये सरकार की तरफ़ से कौन से कदम उठाये जाने को हैं, यह बात इस सदन और मुल्क को बताई जानी चाहिए ।

सिर्फ़ यही नहीं होता है कि बाढ़ से फ़सल नष्ट हो जाती है और किसानों तथा दूसरे लोगों के घर बरबाद हो जाते हैं, बल्कि कई नई समस्यायें पैदा होती हैं, बीमारियां फैलती हैं, पीने का पानी नहीं रहता है और दूसरी परेशानियां होती हैं । जब भी इस तरह की दुर्घटना होती है, तब सैकड़ों लोग मर जाते हैं, जिन की कोई खबर नहीं लेता है । मेरे यहां पचास आदमी हैज़े से मर गये और उन की कोई खबर नहीं है, कोई जानता नहीं है, सूबे की सरकार उन के बारे में नहीं जानती है और अखबारों को पता नहीं लग पाता है । इस प्रकार लोग लगातार मर रहे हैं । सरकार के लोग शायद सोचेंगे कि देश की आबादी बढ़ रही है और उस को कम करने का यह अच्छा तरीका

होगा । मैं कहना चाहता हूं कि देश की जनता की जिन्दगी के साथ खिलवाड़ करना अच्छी बात नहीं है । जो भी समस्यायें होंगी कठिनाइयां होंगी, उन को हल करने के लिये सरकार को सामने आना चाहिए, उस को साफ कहना चाहिये कि आखिर यह जो कुछ हो रहा है उस को हम दूर करना चाहते हैं, उस की जिम्मेदारी हम ओढ़ना चाहते हैं, इस उत्तरदायित्व को सम्भालना चाहते हैं, और जो नुक्सान हुआ है उस को हम पूरा करेंगे । मैं निवेदन करूंगा कि सरकार की तरफ से इस तरह की घोषणा हो कि जो लोग बाढ़ के कारण बेघरबार हो रहे हैं उन को काम दिया जायेगा, जिन लोगों के मकान बाढ़ की वजह से गिर गये हैं उन के मकानों को फिर से बनाया जायेगा । यह कोई तरीका नहीं है कि ५ रु०, १० रु०, २५ रु० अनुदान की शक्ल में दिये जाते हैं । फिर जो रुपये अनुदान की शक्ल में दिये जाते हैं, क्या मंत्री महोदय कभी इस बात की जांच पड़ताल करते हैं कि जो २५ रु० दिये गये हैं किसी किसान को, वह जो उस को लेने वाले हैं उन तक पूरा पहुंचता है या नहीं, कहीं ऐसा तो नहीं है कि उस में ५ या १० रु० लोग बीच में ही खा गये हों ? यह शिकायतें चलती रहती हैं पर कोई पूछने वाला नहीं है उस अन्याय को जो कि देश की जनता के साथ हो रहा है । चाहे कुदरत कहिये चाहे सरकार की गलत नीतियों के कारण कहिये, जो भी रुपया सरकार की तरफ से दिया जाता है वह उन आदमियों तक पूरा पहुंच भी रहा है या नहीं जिन को वह दिया जाता है, इस को पूछने वाला कोई नहीं है । आम तौर से ६० प्रतिशत मामलों में यह होता है कि वह रुपया उन लोगों तक पहुंचता नहीं है । इसलिये मैं कहूंगा कि अनुदान का रुपया बढ़ाया जाना चाहिये, काफी मात्रा में अनुदान दिया जाना चाहिये जिससे वे लोग अच्छी तरह अपना पेट पाल सकें, कोई रोजी कमाने का साधन बना सकें, या अगर उन के खेत बरबाद हो गये हैं, घर नष्ट हो गये हैं, तो उस अनुदान से वे अपनी जिन्दगी चला सकें ।

इसी के साथ-साथ कुछ ऐसे कारगर कदम उठाये जायें कि जहां लगातार पिछले चार पांच वर्षों से ज्यादा पानी आ रहा है छोटे नालों और नदियों में वहां के लोगों की रक्षा की जाये । क्या कोई ऐसा तरीका नहीं अपनाया जा सकता जिससे कि उन छोटे नालों और नदियों का पानी बड़ी नदियों में इस तरह से डाला जाये जिस से कि लाखों एकड़ जमीन जो बरबाद हो जाती है, हजारों मकान जो गिर जाते हैं हर साल, उन को बचाया जा सके ? अखिल भारतीय पैमाने पर अगर कोई इस तरह का सर्वेक्षण किया जाये कि जो छोटे नाले, नदियां और ड्रेन्स हैं जिन की वजह से बाढ़ें आ रही हैं उन को किस तरह से बड़ी नदियों में डाला जा सकता है, तो मैं समझता हूं कि लाखों एकड़ भूमि को बचाया जा सकता है, हजारों घरों को बचाया जा सकता है और हजारों प्राणियों को बचाया जा सकता है, इस बाढ़ के आक्रमण से जो हर साल हमारे ऊपर होता है । मैं चाहूंगा कि सरकार की तरफ से इस पर गम्भीरता से विचार किया जाये, सरकार देखे कि कहां-कहां पर उस से गलतियां हुई हैं । कहीं ऐसी बात तो नहीं है कि अधिकारियों की गलती से, सरकार की नीतियों की गलती से, अधिकारियों के निर्देश गलत तरीके से हो रहे हैं, और अगर हो रहे हैं तो फिर उस की जांच-पड़ताल की जानी चाहिये, और जांच-पड़ताल कर के ऐसे लोगों को सजा देनी चाहिये जिन्होंने इस तरह के काम किये हैं । मुझे निश्चित रूप से मालूम है कि कम से कम मेरे इलाके में उत्तर प्रदेश के, बुलन्दशहर, अलीगढ़ या इटावा में कुछ नदियां इस तरह की हैं जिन में लगातार छोटे-छोटे नाले पड़ते हैं, छोटी नदियां गिरती हैं, जिन के कारण बाढ़ें आती हैं और जिन से लाखों एकड़ जमीन बरबाद होती है, हजारों मकान बरबाद होते हैं और बहुत से आदमियों की जानें भी उन में डूबने से चली जाती हैं । मैं समझता हूं कि देश के अन्य भागों में भी ऐसा ही होता है । इसलिये सरकार को कोशिश करनी चाहिये इस को देखने की कि सरकार की नीति की

[श्री ब्रजराज सिंह]

वजह से, विकास कार्यों के सुनियोजित ढंग से न होने के कारण तो कहीं बरबादी नहीं हो रही है। अगर हो रही है तो जिन की गलती से ऐसा हो रहा है, उन के खिलाफ कारंवाई की जायें। पहले तो इस का इन्तजाम किया जाना चाहिये कि यह चीज न हो, और अगर इस तरह की चीज होती है, बाढ़ आती है, तो लोगों की दवादारू का इन्तजाम होना चाहिये, भोजन का इन्तजाम होना चाहिये और यह देखा जाना चाहिये कि बाढ़ के उतरने के साथ-साथ वहां कोई बीमारियां तो नहीं फैल रही हैं। मुझे लगता है कि आमतौर से इस पर ध्यान नहीं दिया जाता है जिस से कि लाखों की तादाद में आदमी बीमार पड़ जाते हैं और उन की खबर लेने वाला कोई नहीं होता है। जब यह एक वार्षिक बात हो गई है बाढ़ आने की और उस से हजारों अन्य मुसीबतें पैदा हो रही हैं गांवों-गांवों में और शहरों-शहरों में, तो ऐसी स्थायी योजना बनाई जानी चाहिये जिस से कि लोगों का कम से कम नुक्सान हो, लोगों को कम से कम हानि हो और वे इन मुसीबतों को अच्छी तरह बर्दाश्त कर सकें।

तो एक तो अनुदान काफी मात्रायें दिया जाये। जिन लोगों के घर गिर जाते हैं और वे बेघरबार हो जाते हैं, उन के घरों को बनाया जाये, बाढ़ के दिनों में उन को बिना मल्य खाना दिया जाये, उन के लिये फ्री किचेन्स कायम किये जायें, और बाढ़ नियंत्रण के कामों में जो गलतियां हों उन को दूर किया जाये। जिन लोगों की गलतियां हों उन को सजायें दी जायें, ऐसा इन्तजाम किया जाये जिस से कि भविष्य में बाढ़ आने की आशंका ही न रहे, कम से कम इतने बड़े पैमाने पर न आये और अगर कभी बाढ़ आ भी जाये तो कम से कम उस की ठीक ढंग से सूचना दी जा सके जिस से कि लोगों को अपनी जानें बचाने का मौका रहे। मैं जानता हूं कि सरकार इस तरह के कदम उठायेगी जिस से कि अगले साल इतने बड़े पैमाने पर बरबादी न हो जितने बड़े पैमाने पर हर साल होती है और जिन लोगों की बरबादी हो रही है उन की और ज्यादा बरबादी न हो। जिन लोगों की बरबादी हो गई हो, उन क मकान बनाये जायें, उन को ज्यादा अनुदान मिलें और जिन किसानों की फसल बरबाद हुई है उन का लगान माफ हो और उन की भुमि को फिर से उपजाऊ बनाने के लिये कदम उठाये जायें जिस से कि वे अपनी जिन्दगी को नये सिरे से चला सकें।

**श्री प्र० सि० दौलता** (झज्जर) : अध्यक्ष महोदय, यह जो सालाना तूफान या फ्लड का मसला है वह दरहकीकत कौमी तरक्की का एक मसला है। What I mean to say is........

**Shri Goray:** Now that is better.

**Shri P. S. Daulta:** ....that crisis of the perennial is the crisis of the growth of the nation. We build roads. We build canals. We build railways and dams. Somewhere a dam gives way and sometimes a town grows up, just as Delhi is growing and naturally the way in which the flow of water used to be is blocked. The way we are progressing, we are creating these problems. So, my first suggestion is that the Central Flood Control Board should have a complete survey throughout India and those survey maps should be provided to all departments, such as, the Canal Departments in the States, to the PWDs and all that. If this is done and there is some co-ordination, there will be use for the Central Board; otherwise it is not utilised properly.

Every flood is tragic. The Poona flood is tragic; the U.P. flood is tragic. The Rohtak flood is tragic. We did not know what would happen in Poona or in U.P., but we did know what would happen in Rohtak after full one year's previous warning. Last year, during these very days we had flood in Rohtak because water from Ambala and Karnal had been diverted to Rohtak and the natural flow of

Rohtak waters which used to go to the *Jamuna* had been blocked because of some industrial estate this side or some the growth of Delhi city. There is colony on that side. In this way water which used to go since the olden days from drain No. 8 or from drain No. 6 has stopped going to the *Jamuna*. That has flooded Rohtak and a part of Delhi.

Last year when the hon. Prime Minister saw all that flooded portion from the air, I was with him. He was pleased to say that floods cannot be stopped, but they can be regulated He enquired why this water could not go to the *Jamuna*. I said, "because engineers do not want to work and a plan is not accepted." A site plan was drawn up. That is with the Ministry. According to that drain No. 8 will be diverted to the *Jamuna* this way and drain No. 6 will be diverted this way But for full one year we could not make a drain 16 miles long. Crops worth Rs. 2 crores were ruined last time in Rohtak only. Fortunately, this time water did not enter Rohtak Town and so the flood this year has not got so much publicity as it had last time when water entered the town's streets. Many pressmen and newspapermen had gone there and had taken photographs and Rohtak news would again have come in the front page. But the damage this time is far greater than it was last year I will request the hon. Minister to have some sort of investigations.

I do not know how this democracy will work. I have doubts now. Everything is done by the military. People are developing an idea that only the military can cope with everything. This civil administration is giving up a poor account of itself. In this way we are endangering democracy itself. For full one year the engineers and all these departments could not have a drain 16 miles long. The Pakistan press laughed at this drain. They used to say through the radio and the press, what is Government of India, what are they doing, a nala, they could not control. After full one year, we are where we were then. Can't we find who are the men who are guilty for this? Certainly those people who go to the High Court for writs and stand in the way of the digging of this drain are responsible. But, these engineers?

**17 hrs.**

I accompanied the hon. Minister for Education to my constituency. He was told that the contract was given to the Bharat Sevak Samaj. If this drain work was given to Bharat Sevak Samaj or Sarvodaya Samaj, this was not to be executed. The department should take these things seriously and not please one samaj or another samaj. They should get the work executed through proper agencies.

So far as relief is concerned, I would say one thing. Today, I noticed this from the *Statesman* from Delhi. I speak on behalf of Delhi also because that rural area is adjoining to my constituency. The authorities said, for the last three years, they have been given full concession so far as land revenue or other assessments are concerned, and so they cannot have it this time because they have been given three times. If you go on flooding every year their fields, every year you shall have to give concession. That is no reason that because there were floods in the previous years and so concession cannot be given this year.

I would say that this Rohtak affair is one in which investigation should be done—not judicial but certainly a departmental enquiry, or some Chief Engineer or some big engineer from the Central Board may go and find out what it is that prevented the drain of 16 miles being dug from there up to Jumna.

With these words, I conclude. I thank the hon. Minister who went twice to that area to see that. I would request again that it should be found out who are responsible for this. When

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they knew last year that this water will come in the rainy season, they could not complete out a scheme which was drawn on plan in one year. There is no hope that they will do it next year also.

**Shri Narasimhan** (Krishnagiri): The statement of the Minister, laid on the Table some days ago, makes an honest attempt to give a factual report of the whole matter. It is interesting reading. It covers a vast field. In this respect and in so far as floods in the Madras State are concerned, there have been debates in the Madras Assembly and there has been a good deal of newspaper information. There is a general feeling both in the Assembly and outside that the flood damages have been grossly under—etimated. I would like the Minister to look into the matter and see whether there has been any such thing. That is the general feeling. Losses have been sustained both by the Government and the people. Probably, the Government have confined themselves to the losses which the Government institutions have suffered.

**Shri Tangamani** (Madurai): The Madras Government estimated the loss at Rs. 1 crore.

**Shri Narasimhan**: The other estimate seems to be half a crore. It must be remembered that both the people and the Government have sustained losses. Long term remedies and short term remedies are necessary.

It is high time that we use whatever God in his mercy gives to the southern rivers. The main river is the Cauvery. It is not a jeevanadi as it is called in Sanskrit. It does not flow with water throughout the 365 days of the year. It is full when there is flood and it is dry or semi-dry when there are no rains. Occasionally as it has happened now, God, in his mercy gives more water to test the capacity of the people and the Government, to see whether we utilise those rare opportunities to our benefit or not. If, instead of that, we allow the situation to be converted into great loss or damage, it is really a sorry state of affairs.

The flood in Mettur, this time and the water that passed through Mettur is the highest since the dam was constructed. The dam is there for some decades. This is the record flood in its entire history. The dam happens to be in my district. Actually in my constituency, at a high level, long ago, a dam was thought of. It was even thought that the Cauvery river, with a dam at that site, may be diverted to the River South Pennar, adjoining, some 50 miles away. The engineers then visualised it. Even in the course of the meetings which we had in the consultative Committee, in the papers submitted, this matter is referred to. In the papers of the Ministry, this matter or rather the historical nature of it, has been referred to. It is now suggested both by competent engineers and officials and by statesmen including Shri T. T. Krishnamachari that a dam at Hogenakal, a few miles higher up of Mettur would help conservation of water in the Cauvery during the flood season; and it could also help to easily divert the water to the South Pennar River. The contour is not adverse. It will also act as a kind of safety valve to the Mettur Dam itself. Every time, water is full in the Mettur Dam, though they do not admit, all the engineering authorities are a bit nervous about it; naturally, being the guardians of Government's property and people's party, they are a bit nervous. When the dam capacity is reached or very nearly reached, they just open the shutters, sometimes a little too soon even, in order to be on the safe side. That being so, this suggestion of an additional satellite dam for Mettur Dam should be seriously considered by Government.

There are also necessary measures pending in the Tanjore District itself. There are canals of the Coleroon river and the Kattalai dam and many other things which are generally affected when water is flowing in such huge quantities. The necessary measures in Tanjore and Tiruchirapalli district should also be taken up at any early date.

In the matter of the use the waters of the Cauvery river, which happens to be a river common to two States, there is a kind of dispute going on. I am referring to the dispute between Madras and Mysore. On this occasion, I request the Ministry to see that an amicable settlement is arrived at between the two States on the question of water distribution and that one or two more dams are built. Now, as a result of the dispute between the two States, the matter is left hanging, and when God in His mercy gives water, we are not able to use it. The Krishnarajasagar dam in the Mysore State was also full of water, and the extra water was allowed to pass. The Mettur Dam was also not able to contain it. Both these dams are not adequate for the purpose. The third and fourth dams are not being constructed because of this dispute partly. I hope that all these disputes would be resolved. Instead of allowing these tragedies to create misery and sorrow, and instead of our making a laughing-stock of ourselves in the eyes of God, it is very necessary that the good offices of the Central Ministry should be used and all the disputes settled, and one or two more dams of a satellite nature built on the Cauvery river.

**Mr. Speaker:** Now, Shri Surendrath Dwivedy. I wanted to call one Member of the Communist Party from Orissa. Anyhow, I have called Shri Surendranath Dwivedy.

I would like to know which are the States which are affected by floods.

**Shri Maniyangadan** (Kottayam): Kerala has been seriously affected.

**Shri Shankaraiya** (Mysore): Mysore also has been greatly affected.

**श्री बाल्मीकी** (बुलन्दशाहर) रक्षित अनुसूचित जातियां : उत्तर प्रदेश में सब से ज्यादा नुकसान हुआ है ।

**Shri S. M. Banerjee:** U.P. is a very big State.

**Mr. Speaker:** Very well, I shall call one Member from Kerala and then from Mysore, and then I shall come again to Orissa.

**Shri Surendranath Dwivedy** (Kendrapara): I want to place a few facts before the House. Formerly, we were hearing that only States like Orissa were being affected by floods, but now it is an all-India problem. After Independence, probably more States are now affected by floods than before. It is good that although it is a State subject, the Central Ministry has taken some steps to co-ordinate and regulate the activities. But the point is that probably in this country, after Independence, people die more as a result of firing or of floods.

**Mr. Speaker:** Why does he bring in the question of firing here?

**Shri Surendranath Dwivedy:** I want to ask the Ministry whether with the experience they have gained in the course of these few years, sufficient attention has been paid in the Third Five Year Plan to see that these damages are reduced. Practically no account has been taken of these dangers because it is admitted that whatever amount of money we may give for development projects, as is said in Orissa, every five years floods come. Whatever development projects are undertaken during five years are washed away by floods. The floods have come almost after five years. We had them in 1955, then in 1960.

So I should have thought that more money would have been provided in this Plan. Actually, in the Second Plan, after it was pruned, out of the Rs. 56 crores that were provided, according to the statement of the Minister, only Rs. 48 crores were spent. I want to know why the Rs. 8 crores were not spent. Was it because the States were not prepared to spend the

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amount or was it because that in some States where proper investigation had already taken place and they wanted money but it was not provided and so things were not done? In this Plan, only Rs. 61 crores have been provided; actually, we should have made provision for much more than this.

As regards the flood havoc in Orissa concerning the Hirakud Dam and dams of that kind, there has been a doubt in the minds of the people whether such dams actually give protection against high floods. The Minister himself has in the course of his statement admitted:

> "There is a general impression that our dams, which were intended to store waters not only for irrigation and generation of power but also to absorb some flood waters have not got adequate cushion to absorb such waters".

Now specially in the case of the Hirakud Dam which is a multi-purpose project, it is feared now that the dam has been silted. I tabled a question on it to the Ministry and the reply given was 'no'. But it has been officially stated in Orissa that the Hirakud Dam is likely to be silted. The deposit of silt is raising the river bed with the result that floods occur even when the rainfall does not exceed the annual average. They say that the floods in the Mahanadi in recent years, including the one earlier this month, were not caused by increased rains.

Now, the dam is being silted up. Secondly, I am told the capacity of the Hirakud Dam to store water is much more reduced. For the sake of power generation, they have to store more water. Therefore, they do not discharge that much water at other times which would have emptied the reservoir, so that they could store more water during the rainy season. On account of the Chipilima project, this has been done.

I want to ask one question because this has been mentioned in the statement itself and also debated in Orissa. When on the 10th July there were high floods and there was danger of the water reaching the maximum point of the dam, and the dam itself was in danger of being washed away and the engineers wanted the water to be released, the Chief Minister, it is stated, issued orders to the effect that the water be stored in the reservoir. He himself made a radio broadcast on the 9th July or so warning the people about the danger ahead. He ignored the advice of the Chief Engineer. We were luckly that the catchment area did not bring that much of water which was coming previously, but he himself in that very statement said that in spite of their best efforts, they could not do anything, that the dam was going to be washed away, that the people should remove themselves to safer quarters etc. That was his statement. Actually the facts prove that the situation was not as dangerous as all that. In such a situation, what is the attitude of the Government of India?

It is stated that this was prevented, but they have avoided mentioning the name of the Chief Minister. Can a Minister, in such a situation, override and ignore altogether the expert opinion and do whatever he likes, for his political purposes?

Then, especially this year, there is no arrangement for the dam authorities to know how much water is likely to come. It has been stated by the Chairman of the Flood Enquiry Committee which has been set up in Orissa, in an interview, that actually this year during the flood threat, only two forecast telegrams were received, one on July 1 and the other on July 12, giving warning of rainfall in the catchment areas. And the real danger was on the 10th July. In between, these people had no information at all.

I want to know whether Government has any arrangement of wireless sets or other methods, so that not only the dam authorities but the people also know that water is likely to come to a certain extent.

Again, the Enquiry Committee itself has said that at present they could know only the inflow into the reservoir because of the gauges provided at different points but were unable to anticipate peak points.

This is a thing which should be seriously considered. The Hirakud Dam, for instance, which was specifically constructed to prevent high floods to Orissa, is practically not serving that purpose, and because of its multi-purpose nature, we are laying more stress on power production, and so people are affected more by the flood, and the danger is much more today because in ordinary times the water is not discharged, and when it comes it comes in high quantities which not only causes damage to the houses and villages, but the people are never warned beforehand.

It has been stated that when these high floods occurred in Orissa, an engineer—his name is Dhir perhaps—immediately visited Orissa and submitted a report to Government. I would like, to know whether in his report he has given a detailed account of the entire development in the fortnight 1st to 15th July, how it occurred etc

It has been admitted by the hon. Minister in reply to a question and by the Governor in his Address to the State Assembly recently, that Hirakud alone will not be able to protect the people of the delta area from floods, that another subsidiary dam which was included in the original Hirakud project, namely the Tikarpara dam, should be constructed. It has been stated in reply to one of my questions that the Enquiry Committee is going into the matter, and as soon they get the report, they will consider it. Let not the Government make the people think that they will be able to protect the delta with Hirakud dam alone if they are not in a position to do so. I would therefore like to know specifically whether within the allotted amount at their disposal, i.e., Rs. 61 crores provided in the Third Plan, they will be able to provide money to the State of Orissa for constructing the Tikarpara dam. How much time will this Enquiry Committee take to submit its report? Will it be possible to take up Tikkerpara Dam within the Plan period?

Lastly, I would again submit that it is high time we reconsider the whole scheme of these multi-purpose dams. Wherever flood protection is the immediate need, we are trying it up with power production and thus the main problem is allowed to be neglected.

About the controversy in that area, I think it will be taken up in the Orissa Assembly. But I am concerned only with this matter whether the Chief Minister should ignore and override the expert opinion in order to suit his political purpose or hobby—in a matter which affects thousands and lakhs of persons. I want a clarification in this matter. I want the Central Government and the Chief Ministers of States to sit together--this has happened in Orissa today and it may happen in other States tomorrow and it will cause any amount of damage to the country and people—and think seriously about it. This is a very serious matter and the Government should apply its mind very seriously to it.

**Shri Maniyangadan:** Floods are annual occurrences. This year the calamity was terrible and so far as the State of Kerala is concerned, for the last nearly 40 years there was no such calamity. The question is whether these floods could be controlled or whether the damages that occur as a result of these floods could be minimised.

It is true that rains could not be controlled. If we look to Kerala, we

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find that this year there were unprecedentedly heavy rains in the hilly arears of Kottayam and Palghat districts. In the Kottayam district the Periyar and Pampa rivers gave rise to very serious damage. There were also land-slides and other things. All these are given in the statement of the Minister and I do not want to repeat them.

But I want to impress upon Government that the flood protection measures that are said to have been taken have not resulted in any benefit. It is said that about Rs. 61 lakhs are included in the Third Plan for flood control measures in Kerala. But, I may submit that unless they are properly examined and scrutinised by experts these measures are not going to benefit the people. A small bund here or a wall there is not going to give any relief. I would submit that in the construction of the power projects in Kerala, especially the Pampa and Idikki schemes, the idea of flood control must also be there. Floods damage the crops of thousands of acres in Kerala. The heavy rains that pour in the western ghats flow down very quickly and go to the coastal regions. It is not flowing into the sea because of the tidal waves. So, all these aspects have to be taken into consideration. We must consider how the water that remains without any outlet to sea during the monsoon season in the low-lying or the coastal regions of Kerala could be discharged into the sea. There is a scheme called the Kuttanad Development Scheme as a part of which the Thottapally spillway has already been completed. A regulator at Thannirmukkam is now under construction. But I would submit that it is moving at a very slow speed. I think this was a shceme which was started in the First Five Year Plan, but hitherto, it has not yet reached completion.

Then, drainage is a very important thing in Kerala. Some scheme must be evolved by which the flood waters would be controlled and proper drainage could be arranged; in the lowlying regions of Kerala near the coast, there are thousands of acres of land lying below sea-level and cultivation is conducted there. Water is being pumped out for cultivation every year. If proper steps are taken to control the floods and conserve the water which could be let out in summer, two crops could be raised there. So, proper care ought to be taken to see that the water which the rain brings is properly conserved and used. The water that Nature gives us should be properly utilised and the richness of the country could be enlarged.

I do not want to go into the question of damages that were caused by the floods. But I may submit here that unprecedented damage has been caused this year. Thousands of families have been rendered homeless. Hundreds of lives were lost. Of course, the State Government immediately went to the rescue, and I have to congratulate the Kerala Government and the Kerala State for the immediate and prompt steps taken in regard to the relief measures. The Prime Minister also has contributed considerable sums from the Prime Minister's National Relief Fund for the relief measures, and on behalf of the people of Kerala, I shall utilise this opportunity to convey to him through the House the gratitude of the people there.

I may submit that the Pampa and Periyar valley schemes, besides other rivery valley schemes, must also be taken up separately and proper schemes for the purpose of controlling the floodwaters taken up. The waters must be preserved and utilised not only for the present scheme for power production but must be utilised for other purposes. Schemes must be evolved so as to cater for all such needs.

Next, I may turn to another problem that is peculiar to Kerala. That is the problem of sea erosion. Sea erosion in Kerala has now converted about more than a furlong of land into sea throughout the length of the coast. This has been continuing for several years. Of course, effective steps were started only very recently. This is a peculiar problem of Kerala. It is so serious that the whole burden should not be left to the Kerala Government alone to be tackled. In a statement made by the Minister, it is said that as the benefits from flood control, drainage and anti-waterlogging schemes sometimes overlap and cannot strictly be confined to one single purpose, it has been decided that schemes for flood control, drainage and anti-waterlogging and also anti-erosion should form one group in the State Plan under the head, "Irrigation and Power." I can understand schemes for flood control, drainage and anti-waterlogging being clubbed together and brought under irrigation and power. But I cannot understand how this anti-sea erosion work comes under this scheme. I stress this, because the problem is so immense that the resources of Kerala are not sufficient to provide any effective remedy against that. The coastline of Kerala is about 400 miles and it is estimated even in the booklet published by the Government themselves that more than 200 miles of the coastline are to be protected from sea erosion. For that sea walls and groynes have to be constructed and the estimate is said to be Rs. 15 lakhs per mile.

In the second Plan, some money was allotted for that. In the third Plan, it is said that about 25 miles of the coastline would be protected by construction of sea walls and groynes. Out of the 200 miles that have to be covered, a small portion of the work is being done and the whole cost is now borne by the State Government. I understand the State Government also on several occasions requested the Central Government to share at least a portion of these expenses.

I submit that this anti-sea erosion work should not be clubbed with the other schemes of flood control. This is not a question of flood control. This is a portion of the country being eaten away by the sea every year. In the north it is China attacking India and in the south we find the sea slowly eating away portions of our Motherland I submit it is a national problem, the prevention of which could not be done by the State Government alone and it should not be clubbed with flood relief and other measures. It should be considered as a national problem and the Central Government should take it up as a Central subject.

In the Minister's statement, it is said that water resources development including flood control is a State subject. But anti-sea erosion work is not a State subject; it does not come under water resources development or flood control. It is actually a question of defence of territory. The resources of the State Government are not sufficient to meet the problem and so it has to be met by the Central Government. I am told the State Government has requested that 50 per cent of the expenses should be met by the Centre.

Even last year, several areas were eaten away by the sea. Near Manassery near Cochin, the sea has been advancing by about 100 to 150 feet during the monsoons and receding by 80 to 130 feet with the result that we lose 15 to 30 feet every year. This is a very thickly populated area. Coconut plantation is very abundant there and there are also paddy lands. Moreover, there is the railway line and the highways run along this area. If this is allowed to continue, the safety of all the valuable institutions in the coastal strip and the interests of the inhabitants will be jeopardised. Last year, the Calicut-Mangalore railwayline was threatened with serious danger due to heavy erosion at Thalai. So, this is a very serious problem. It has to be viewed with all the seriousness that it deserves by the Central

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Government and the State Government should be given adequate aid for the prevention of this erosion.

**Mr. Speaker:** Shri Shankaraiya—that finishes one round. Then I will call the Deputy Minister and after that other hon. Members.

**श्री बाल्मीकी** : अध्यक्ष महोदय, इस के पहले कि माननीय सदस्य कुछ कहें, मैं आपसे प्रार्थना करता हूं कि मेरे क्षेत्र में, खास तौर से बुलन्दशहर में फ्लड से विशेष हानि हुई है। उस पर नें थोड़ा सा प्रकाश डालना चाहता हूं।

**अध्यक्ष महोदय** : मैं आपको अवकाश दूंगा।

**Ch. Ranbir Singh** (Rohtak): The same with my place.

**Mr. Speaker:** I will call all hon. Members who are interested.

**Shri Shankaraiya:** Mr. Speaker, Sir, it is most unfortunate that Mysore has been the victim of flood havoc in an unprecedented manner this year. It is not for the first time that Mysore is experiencing this flood havoc. But the damages have been very serious this time, and the Government is in the full know and possession of all the facts. As regards relief works, rehabilitation works and other things, I am not going to say anything. The Central Government will in consultation with the Mysore Government give adequate relief to the flood victims and help in rehabilitating them to the greatest extent possible. The Mysore Government by itself is not able to give all the relief and rehabilitate them, it is only the Central Government that can do it and the Central Government should be liberal enough.

As regards control of floods, fortunately—or unfortunately—Mysore has been in a happy position to give birth to most of the important rivers in the south—Cauveri, Tungabhadra and Krishna.

Coming to the river Cauveri, it is said that the water of Cauveri is utilised to the last drop and very many dams and anicuts have been constructed. In Mysore there is the Krishnarajasagar. It is meant more for irrigation and also for control of floods. Unfortunately, it is not enough. In Madras we have the Mettur Dam, Bhawani and other things. In addition to these, there are other tributaries coming to Cauveri—Hemavti and Kabini. Although the Government has recently constructed one dam, in Kabini, the havoc that has been caused in Mysore is such that it is irrepairable. Many lands have been washed away. Besides standing crops and villages being washed out, many lands have been scored out, many families have been ruined and they are not in a position to make a living. Unless some relief is given by the Central Government by way of giving them land, giving them habitation and other things, it will be impossible for them to make a living.

One suggestion I would make in this connection, before I go to the other points, is that most of the villages on the banks of this river Cauveri should be asked to vacate because—this is not only the first time—from 1924 onwards, when there was the heaviest floods in the whole of India,—subsequently also every three or five years we are having these floods, in 1953 also many villages on the banks of this Cauveri were washed out and there was considerable damage which resulted in a good deal of discussion in the local Assembly—these villages have been suffering whenever there were floods. This time it was on an unprecedented scale and the havoc done cannot be estimated at all.

The Mysore Government has got many schemes in order to make use of this water. There has been agreement between Madras and Mysore Governments. Unfortunately, on account of friction between these two

Governments many of the schemes have been stopped. The Mysore Government has sent up several schemes —Harangi, Kambadakada at Coorg, river Lakshmana Tirth, Hemavati etc. All these have been held up. If these schemes had not been held up, not only much of the wasteland could have been brought under cultivation but the flood catastrophy could have been averted to a great extent because of diverting the water through different channels much havoc could not have been done to Mysore. It is not only Mysore, Madras also has been affected thereby. I wish to request the Central Government to see that some kind of agreement is brought about between the Mysore Government and the Madras Government to see that the water is utilised in the best interests of the whole country. It will be not merely in the interests of Mysore; it will be to the benefit of the whole country; if the land is made cultivable and paddy and other crops are grown, it will ensure to the benefit of the whole of India. Therefore, many of the schemes which have been withheld should be sanctioned immediately and given effect to.

Coming to Tungabhadra and the rivers adjoining Bombay, considerable havoc has been done this year to Dharwar district. My hon. friend, Shri Datar, the Minister of State for Home Affairs, knows the whole thing, because he comes from the adjoining area and his constituency has also been greatly affected by the floods. Some schemes for this river have been submitted by the Mysore Government and I hope Government will do the needful in the matter.

Coming to the Krishna waters, 75 per cent of it is in Mysore State. Though so many schemes about this river have been submitted to the Central Government, not even one scheme has been sanctioned. Unless some measure is taken to control floods at the catchment area itself, they will not be able to control the floods havoc in other parts. Now, not only is the water allowed to be wasted, but the catchment area suffers on account of unprecedented floods. On account of the differences between Andhra State and Mysore State, these schemes are being held up and as a result of that Mysore is suffering a great deal. The sufferers are not only Mysoreans but others also, for we are the citizens of India and we are equally interested in the progress of Andhra. But Mysore should get at least a fair share of development. Let it not be allowed to suffer on account of floods and other things when others are allowed to utilise its waters. Of course, we are not grudging giving help to others. Andhra is equally a part of India. So, let things be done in a way which is satisfactory to both and is in the interests of the country. Let the differences between the two States not come in the way of the execution of the river valley schemes. Let the Central Government take a strong attitude and see that the matter is settled amicably. There is no use waiting for the report of the Gulati Commission which has been appointed. All the facts are in possession of the Government. If only some action has been taken in the Second Plan period itself, these floods could have been controlled to a very great extent. So, I would request the Central Government to see that many of the schemes which have been submitted by the Mysore Government, and Mysore has been the victim of the greatest floods this time, are sanctioned immediately so that at least hereafter such floods are prevented.

Even today we are hearing news of heavy rainfall in Coorg. Water level is rising in both Hemavati and Cauveri. I do not know when it will end. When the fury of the Gods is visiting Mysore, if the Central Government also is not favourable to us, especially when it is a State which has given birth to so many important rivers, and if we are allowed to suffer like this, I do not know what we can do. So, I hope that the Central Government will come to some quick

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understanding and will bring about pacification between Madras and Andhra on the one hand and Mysore on the other so that these things are settled quickly.

**Mr. Speaker:** I am now calling on Shri Hathi. Other hon. Members will be called the next day.

**Shri Chintamoni Panigrahi:** I have to move my motion today.

**Mr. Speaker:** Yes, he may.

**Shri Chintamoni Panigrahi:** I have to move that motion because both the motions are to be taken up together. So, I beg to move:

> "That in view of the experience gained from floods of 1959, 1960 and 1961, the flood-controlling capacity of the Hirakud Dam be taken into consideration with a view to take necessary flood-control measures in the Third Five Year Plan to control floods in Mahanadi."

**The Deputy Minister of Irrigation and Power (Shri Hathi):** Sir, I am thankful to you for drawing the attention of the hon. Members to the fact that it will serve a useful purpose if they put concrete suggestions which could be taken into consideration by the Government, rather than dealing with individual flood-affected areas. I am also thankful to hon. Members for putting actually concrete suggestions, how they could be considered and should be considered by the Government. I am therefore not dealing with individual States or with individual areas, but from the speeches of hon. Members I have jotted down the various suggestions which they have put forward and which need be considered.

In a general way the first suggestion that was made by Shri Goray and Shri Dwivedy was about the efficacy of the dams that we are constructing. A point was made out whether the dams that are being constructed as multi-purpose dams serve the purpose of floods protection or whether they are utilised for irrigation and power and flood protection benefits are sacrificed at the cost of either generation of power or of irrigation. That is really an important point which has to be considered. We have thought that flood protection benefit which has been estimated at the time of constructing a dam should not be sacrificed at the cost of power generation or of irrigation. We are also thinking whether in future if we think that more head or more level of the reservior is required for power generation we could not construct a dam of a higher height so that the purpose for which the dam is built, namely, flood protection, is not sacrificed at the cost of generating power. That is an important point which Shri Dwivedy has made out. I may say that the Flood Enquiry Committee has been appointed in Orissa.

**17·48 hrs.**

[MR. DEPUTY SPEAKER *in the Chair*]

**Shri Chintamoni Panigrahi:** Can you raise the height of the Hairakud Dam?

**Shri Hathi:** I am dealing with all the points including Shri Panigrahi's which he has raised. We have appointed the Flood Enquiry Committee in Orissa. That committee will look into this question, namely, whether it is sufficent cushion. As hon. Members know, orginally the reservior level was to be kept at 590 feet. Then for power generation we thought that it might go up to 610 ft. That means the cushion was reduced by 20 feet in order to have more power. Whether we could not generate more power by another thermal plant and keep the reservior level at 590 feet only or not could be considered. If we could not raise the height of the dam now, we could find out another way. But this is a matter which the Committee will look into.

I am only mentioning the general points raised and not individual projects. The second point raised in this particular case was about the other dam at Tikrapara. About that also the Orissa Government has asked the Central Government and the Central Water Power Commission is investigating into this particular dam because that will, in that case, lessen the flood damage in Orissa. So that is one important point which was made by Shri Goray and Shri Dwivedy.

The other important point was made about haphazard flood planning and that there should be a planned planning for flood protection. That is another point which has been seriously considered by the Government. We think that the emergency measures or short-term measures which we have taken up to now are for the purpose of giving immediate relief so far as embankments or other measures in the villages are concerned. But, as we have mentioned in the statement, real benefit would accrue if there is one plan for one river basin. The whole river basin has to be investigated. A long term plan, as we have stated as early as 1954 is the only remedy, that is, one plan for one river basin.

That leads to another problem. There are inter-state rivers. All the States may not be interested in flood protection. Therefore, we have thought of establishing River boards. Whenever there are inter-State rivers, there should be a Board which would look to the development of the basin as a whole, would investigate into the various flood protection, irrigation and power projects, soil conservation and everything. Then, they should prepare one scheme which would be a real remedy. Otherwise, haphazard schemes would mean, an embankment in one place might adversely affect another area. That should be avoided. It is for that purpose that about 8 months ago, we have already taken action and we thought of establishing six major River boards for the major river systems in the country. That would give the real solution, of course, in addition to the benefits that have accrued as a result of the short-term measures.

Then, the third point was the silting of reservoir. I may say that the Hirakud reservoir is not being silted as rapidly as is the information of the hon. Member. Even then, it is necessary that oil conservation will have to be taken up immediately. Unless you take these soil conservation measures, there is every possibility that the reservoir would be silted up earlier than it is seen today. It is necessary that the River boards should take up soil conservation. Apart from measures in the Mahanadi Catchment area, soil conservation work has to be taken up. That is an important suggestion which we have already taken into consideration and on which we have already started action.

The other point that was raised by the hon. Member from Punjab was the question of drainage. This question is as important as checking or training the river. Because, if there is no proper drainage, the water which collects in one area goes to the other area and it does not find room and it is all inundated. Taking the example of Kerala, 82 inches of rain in one particular place in one month was experienced, while the average rainfall was only 23 inches, with the result that the low-lying areas were all inundated. There was no proper drainage. In addition to that, there were high tides in the sea which stopped the water from the land going into the sea. Both these things combined and that was the main reason why there were heavy floods in Kerala this year. The heaviest flood was recorded in 1924. Kerala did not experience this sort of flood after that. Unless you have proper drainage, training of rivers or building embankments would not help Kerala. All the co-ordinated actions have to be taken simultaneously. Therefore, drainage by itself is an important major flood protection measure. In

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the past, we have sanctioned a number of drainage schemes. Of course, each State has its own problems. We cannot have one remedy for all the States.

For example, in Orissa, this year's flood was not there because of not having a dam. On the contrary, I should say that the dam prevented excessive floods in the delta. But for the dam, the damage would have been much more. It is the flood resisting capacity of the dam that has definitely saved a major portion of Orissa. But for that, perhaps the whole of 15 lakh cusecs would have flown right into the delta and would have damaged the whole area. Therefore, each area has its own problem.

Shri Goray raised anothr point. It was that we have spent crores of rupees and still they are wasted in two or three days floods. I may however assure the House that the flood protection measures which we have up to now taken have not failed except in two or three cases. I can cite the example of Dibrugarh. We have seen how Brahmaputra was devouring that city. At every wave, 10,000 or 15,000 cubic feet of land fell down. The amount of Rs. 4 crores which have been spent on Dibrugarh has protected that area. I may also remind the House that the Dalaighat Spur has distinctly protected the area concerned. There is no doubt about that. If there is a bit of breach somewhere here or there, that is a different matter.

Coming to the flood protection measures, I can say that the measures that we have taken have protected the area. It is a different matter that we have not been able to cover the whole country and protect the whole area. For example, in U.P. it has not been possible to tame all the rivers, and to have all the embankments that we wanted; and, for some time perhaps, it may not be possible, and, therefore, it may even take time to protect this whole area. So far as the works that have been carried out, however, are concerned, we can say that by and large, the works have proceeded well, and they have given us benefit.

Then, my hon. friend referred to the Jamuna and the present breach which has naturally been attracting the attention of everybody. It may be mentioned that in 1955-56, as a result of the heavy floods, the whole of Shahadara was in danger. Then, a bund was constructed in 1956, with the result that Shahadara was saved. Then, we raised a marginal bund at a cost of Rs. 15 lakhs on the left-hand side, and that has given protection to the Shahadara village. What has happened this time is this. There is no breach in the Shahadra bund or in this marginal bund. But, as hon. Members of the House are perhaps aware, there is a river Hindon which is utilised for supplying additional water to the Jamuna in winter, and that has cut through. Right from the Delhi railway bridge up to the Okhla weir there is a bund. At the end of this, there is a regulator and then an earthen bund. This bund is being maintained by the U.P. Government. On the night of the 20th August, there was heavy rain, and there was heavy wind; and because of wind action,—it was not the Shahadara bund that gave way, but—the regulator there and the earthen dam attached to that portion gave way, and water entered into that cut; that water then pushed against the other bund, and some breaches were made in that embankment, with the result that there was danger to the colony; but the breaches were immediately plugged.

**श्री बाल्मीकी** : उपाध्यक्ष महोदय, मैं चाहता हूं कि मंत्री महोदय इस प्वाएंट को हिन्दी में कहने की कृपा करें ताकि मैं भी समझ सकूं और बुलन्दशहर जिले में बाढ़ द्वारा हानि पर प्रकाश डाल सकूं।

**Shri Hathi:** That had also affected the Bulandshahar district. Probably that is what my hon. friend wants to point out.

**उपाध्यक्ष महोदय** : जो वह बोल रहे हैं उनको आप समझते हैं।

**श्री बाल्मीकी** : उपाध्यक्ष महोदय, मैं आप की आज्ञा से थोड़ा सा निवेदन करना चाहूंगा कि बुलन्दशहर जिले में बाढ़ से भारी हानि हुई है।

**उपाध्यक्ष महोदय** : माननीय सदस्य बोलने का समय मांग रहे थे तो उन को कह दिया गया था कि परसों उनको बोलने का अवसर दिया जायेगा। अभी तो मंत्री महोदय को अपनी बात समाप्त कर लेने दी जाये।

**Ch. Ranbir Singh:** The hon. Member wants the hon. Minister to speak in Hindi.

**Shri Hathi:** This had affected certain villages, about 20 villages in the Bulandshahar district of U.P.

**Ch. Ranbir Singh:** Shri Balmiki wants the speech to be made in Hindi.

**Shri Hathi:** When the Shahadara bund was constructed, eight villages from Delhi had to be shifted; necessary grants and loans were given to the people to shift, and all other precautions were taken then. Even now, relief measures have been taken. The people who have been marooned are being shifted to the higher places, and all steps are being taken in this regard.

The other point which my hon. friend Shri Braj Raj Singh had raised was in regard to the giving of financial assistance. He asked 'Of course, the floods come. But what about the poor people? What about drinking water? What about medicine? What about water supply? What about the repair of their houses?' I may draw the attention of hon. Members to the fact that the State Governments are giving financial assistance to the extent of fifty per cent. for giving grants for all these purposes. And all the points raised by my hon. friend are therefore covered. For example, he asked 'What about work to these people? What about doles? What about relief works? Nobody gives them anything' and so on. But I would like to point out that the State Governments are entitled to spend money for this, and 50 per cent. of this will be given by the Centre as financial assistance.

**18 hrs.**

Hon. Members will be interested to know what are the things for which Central assistance is given. There are concessions in regard to the supply of food. He was asking about food supply—either cooked or otherwise. There is weekly cash payment for purchasing necessaries, including food. Then there are cash doles, free or concessional supply of seeds, free or concessional supply of fodder, free or concessional supply of medicine, measures for prevention of cattle epidemics, provision of drinking water, where necessary, provision of transport facilities for goods to be moved and repairs to houses damaged by floods, subject to a maximum of Rs. 300. Then there is expenditure on test relief works undertaken preferably as an alternative to gratuitous relief.

These are things touching the common man. When people are affected, people ask, what about their houses, what about their food, how do they get medicine and so on. These are the various items in respect of which cash assistance is given by the State, and 50 per cent of the expenditure is borne by the Central Government.

Another question raised was about the Cauvery waters dispute between Madras and Mysore. This is a big

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question. I only wish to say one sentence about it. The Minister of Irrigation and Power has met both the Chief Ministers and they have agreed to work out a settlement between themselves.

The other point raised by Shri Goray and also by Shri Surendranath Dwivedy was about forecast or warning about floods. That is also an important issue. We have issued instructions and we have taken steps to that effect. In cases where this is not being done, there should be an efficient service for pre-warning, because whenever there is likely to be flood in the lower area people should be told so that even if we cannot minimise the danger, at least people would be warned so that they could shift to higher areas.

We have also issued instructions to the States concerned that there should be a co-ordinating officer to whom all the information should be passed on. He would be there all the time during the flood season so that in times of calamity he can be there to attend to all the needs of the people concerned.

These are the general points which hon. Members raised to which I wanted to reply.

**Mr. Deputy-Speaker:** This discussion will be continued day after tomorrow.

**18.04 hrs.**

*The Lok Sabha then adjourned till Eleven of the Clock on Tuesday, August* 29, 1961/*Bhadra* 7, 1883 (*Saka*).

[*Monday, August* 28, 1961/*Bhadra* 6, 1883(*Saka*)]

## ORAL ANSWERS TO QUESTIONS 5069—5113

| *S.Q. No.* | *Subject* | COLUMNS |
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| 980 | Indian troops for Congo | 5069—71 |
| 981 | Paper manufacturing machinery | 5071-72 |
| 982 | Disarmament talks | 5073-74 |
| 984 | Aluminium plants | 5074—76 |
| 986 | Visit of Sikkim Maharajkumar | 5076—80 |
| 987 | 'Chain Letters' Schemes | 5080 |
| 989 | Development of Bhutan | 5080—84 |
| 991 | Settlement of East Pakistan refugees in Dandakaranya | 5084—86 |
| 993 | Restrictions on Indians in Burma | 5086—92 |
| 995 | Shortage of tyres | 5092—94 |
| 996 | Indo-Pak Conference of Rehabilitation Ministers | 5094—99 |
| 997 | British Naval Doctor's visit to Ladakh | 5099—5101 |
| 998 | Large Thermal Units in India | 5101—03 |
| 999 | U. N. Peace Fund | 5103-04 |
| 1004 | Appellate courts for former French possessions in India | 5104—07 |
| 1005 | Corruption in C.P.W.D. | 5107 |
| 1006 | Asian Productivity Organisation | 5107-09 |
| 1007 | Radio stations in North Bihar | 5109—11 |
| 1008 | Export of cotton | 5112-13 |

## WRITTEN ANSWERS TO QUESTIONS. 5113—91

| *S.Q. No.* | *Subject* | COLUMNS |
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| 983 | Jute industy | 5113 |
| 985 | Industrial project | 5113-14 |
| 988 | Export of leather bags etc. to Malaya, Singapore and Australia | 5114 |
| 990 | Labour Incentive Schemes in public sector undertakings | 5115 |
| 992 | Heavy Engineering Industrial Projects | 5115 |
| 994 | Rebate on sale of handloom cloth | 5115-16 |
| 1000 | Issue of transfer and sale deeds to displaced persons | 5116-17 |
| 1001 | Trade talks with Ceylon Government | 5117 |
| 1002 | Small scale industries | 5117-18 |
| 1003 | Voting rights to Goans residing in India | 5118-19 |
| 1009 | Import of non-ferrous metals | 5119 |
| 1010 | Visit of Indian officials to Barahoti | 5120 |
| 1011 | Planning Commission | 5120-21 |
| 1012 | Enquiries re: export | 5121 |
| 1013 | Loans to Dock Labour Boards | 5121-22 |
| 1014 | Export of tea to Egypt | 5122 |
| 1015 | Export promotion | 5122-23 |
| 1016 | Death of a Goan nationalist in a Jail in Goa | 5123 |
| *U.S.Q. No.* | | |
| 2513 | Khadi and Gramodyog Centres | 5123-24 |
| 2514 | Industrial development of Punjab | 5124 |
| 2515 | Central Design Organisation | 5125 |
| 2516 | Boundary dispute between NEFA and Assam | 5125-26 |
| 2517 | Plantation of rubber | 5126 |
| 2518 | Bilateral trade pact with Malaya | 5126-27 |
| 2519 | Handicrafts and Rural Crafts Meseums | 5127 |
| 2520 | Murder of an Indian official at Ottawa | 5127-28 |
| 2521 | River Feni | 5128 |
| 2522 | Import of copper and brass scrap | 5128-29 |
| 2523 | Trade delegations | 5129 |
| 2524 | Passports to Inidans for visting Pakistan | 5129-30 |
| 2525 | Indians in South Viet-Nam and Indonesia | 5130 |
| 2526 | Antibiotic factories | 5131 |
| 2527 | Small scale industries of Madhya Pradesh | 5131-32 |
| 2528 | Staff in Indian Missions abroad | 5132-33 |
| 2529 | Rickshaw pullers in Delhi | 5133 |
| 2530 | Buildings of Indian Missions abroad | 5133-34 |

## WRITTEN ANSWERS TO QUESTIONS—*contd.*

| *U.S.Q. No.* | *Subject* | COLUMNS |
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| 2531 | Unemployed in Andhra Pradesh . . . | 5134 |
| 2532 | Workers' education centres in Andhra Pradesh | 5134-35 |
| 2533 | Industrial estates in Andhra Pradesh . | 5135 |
| 2534 | Watch factory in Himachal Pradesh . . . | 5135-36 |
| 2535 | Outlay for Punjab for 1961-62 . . . | 5136 |
| 2536 | Khadi and Village Industries Commission . | 5136-37 |
| 2537 | C.P.W.D. officials . . | 5137-38 |
| 2538 | Films on Industrial subjects . . . . | 5138 |
| 2539 | Documentaries in Punjabi language . . . | 5138-39 |
| 2540 | Educated unemployed in Delhi. . . . | 5139 |
| 2541 | Review of English books by A.I.R. . . . | 5139 |
| 2542 | Import of raw cashew nuts . . . . | 5140 |
| 2543 | Increments to officers in Pondicherry . | 5140-41 |
| 2544 | Manufacture of rubber tyres . . . . | 5141 |
| 2545 | Industrial Development Plans for Punjab . | 5141-42 |
| 2546 | Compilation of industrial data . . . . | 5142 |
| 2547 | State Trading Corporation . . . . | 5142 |
| 2548 | Ill-treatment of Indian Youths in U.K. . | 5142-43 |
| 2549 | Slum Clearance Acts. | 5143-45 |
| 2550 | Soil erosion . . . . | 5145 |
| 2551 | Industrial development of Kerala . . . . | 5145-46 |
| 2552 | Biography of Sardar Vallabhbhai Patel . | 5146 |
| 2553 | Hospital at Kanpur under Employees' State Insurance Scheme . | 5146-47 |
| 2554 | Jawahar Nagar and Patel Nagar busties in Punjab | 5147-48 |
| 2555 | Market for Indian films . | 5148 |
| 2556 | Cable manufacturing factory in Madras . . | 5148-49 |
| 2557 | Low Income Group Housing Scheme . . . | 5149 |
| 2558 | Portable Nuclear Power Plant . . . . | 5149-50 |
| 2559 | Light Weight Truck . | 5150 |
| 2560 | Stamped prices on textile goods . . . | 5150—51 |
| 2561 | Auction of houses of allottes in Delhi . . | 5151 |
| 2562 | Fans for 'H' type quarters | 5151-52 |
| 2563 | Managing agents . . | 5153 |
| 2564 | Coopers' Camp, Ranaghat | 5153-54 |
| 2565 | Manufacture of surgical cotton . . . . | 5154 |
| 2566 | Electric meter factory . | 5154-55 |
| 2567 | Aluminium project for Mysore . . . | 5155 |
| 2568 | Aid to foreign countries . | 5155-56 |
| 2569 | Development of towns . | 5156-57 |
| 2570 | Pilgrimage to Kailash and Mansarovar . | 5157 |
| 2571 | Supply of worsted yarn to Kashmir . . | 5157-58 |
| 2572 | Industries in Himachal Pradesh . . . | 5158-59 |
| 2573 | Compulsory Provident Fund . . . | 5159-60 |
| 2574 | Import of goods from East German Democratic Republic . . | 5160 |
| 2575 | Exhibition of Indian goods in Kuala Lumpur and Singapore . . . | 5160-61 |
| 2576 | Osler Electric Lamp Company, Bombay . | 5161-62 |
| 2577 | Mundhra concerns at Kanpur . . . | 5162-63 |
| 2578 | Purtabpore Company Ltd. | 5163-64 |
| 2579 | Manufacture of raw films and basic chemicals . | 5164-65 |
| 2580 | Handloom industry . | 5165 |
| 2581 | Grants for development of Trade Unions . | 5165-66 |
| 2582 | Central Board for Workers' education . | 5166-67 |
| 2583 | Industrial estates . . | 5167 |
| 2584 | Coal Mines Labour Welfare Fund . . | 5167-68 |
| 2585 | Tariff Negotiations in Geneva . . . | 5168 |
| 2586 | Assault on Prof. Shenoy at Georgetown . . | 5169 |
| 2587 | Industrial Projects to be set up in Kerala . . | 5169 |
| 2588 | Displaced families in U.P. | 5170 |
| 2589 | Promotion of industries in Delhi . . . | 5170 |

## WRITTEN ANSWERS TO QUESTIONS—*contd.*

| *U.S.Q. No.* | *Subject* | COLUMNS |
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| 2590 | Central Projects in Jammu and Kashmir . . | 5170-71 |
| 2591 | Steel wool factory in Nagpur . . . | 5171 |
| 2592 | Allotment of quarters . | 5171-72 |
| 2593 | Allotment of quarters . | 5172 |
| 2594 | Colony near Kalkaji for displaced persons from East Pakistan . . | 5173 |
| 2595 | Third Plan and Orissa . | 5173-74 |
| 2596 | Import of processing machineries . . | 5174 |
| 2597 | Export of Guar Gum . | 5175 |
| 2598 | Heavy Electricals (India) Ltd. . . . . . | 5175—77 |
| 2599 | Hard Board Factory in Madhya Pradesh . . | 5177 |
| 2600 | New Industrial Units in Punjab . . . | 5177-78 |
| 2601 | Radio rural forums in Punjab . . . | 5178 |
| 2602 | Educational facilities for displaced persons' children in Punjab . . . | 5178-79 |
| 2603 | Exports to U.A.R. . . | 5179 |
| 2604 | Ceramics factory in Kashmir . . . | 5180 |
| 2605 | Educated unemployed in Orissa . . . . | 5180 |
| 2606 | Export of manganese ore | 5180-81 |
| 2607 | Export of iron ore . . | 5181 |
| 2608 | Fire in the office of the Directorate of Advertising, New Delhi . | 5181 |
| 2609 | Prototype Production-*cum*-Training Centre at Howrah . . | 5181-82 |
| 2610 | Rent for 'G' type quarters | 5182-83 |
| 2611 | Indo-Pakistan trade agreement . . . . | 5183 |
| 2612 | Production of handloom cloth . . . . | 5183-84 |
| 2613 | Code of Discipline . . | 5184 |
| 2614 | Overpayment to C.P.W.D. contractors . . . | 5184-85 |
| 2615 | Industrial Training Centres in Rajasthan . | 5185 |
| 2616 | Allotment of cars and jeeps . . . . | 5185 |
| 2617 | Civil Supply Officers in Manipur . . . . | 5185-86 |
| 2618 | Manipur Public Works Department . . | 5186 |
| 2619 | House rent of Govt. quarters . . . . | 5186-87 |
| 2620 | Allotment of Govt. accommodation . . | 5187-88 |
| 2621 | Small scale industries in Tripura and Manipur . | 5188-89 |
| 2622 | Low Income Group Housing Scheme in Delhi . . . . | 5189-90 |
| 2623 | Scale of pay in Rubber Board . . . | 5190 |

## STATEMENT BY PRIME MINISTER . . . 5191—99

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru) made a statement regarding the talks he had with Sant Fateh Singh.

## CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE . . 5200—02

Shrimati Mafida Ahmed called the attention of the Minister of Home Affairs to the reported deaths of seven persons in Delhi due to house callapse and drowning in flooded nullahs following heavy rainfall on the 2nd August, 1961.

The Minister of State in the Ministry of Home Affairs (Shri Datar) made a statement in regard thereto.

## PAPERS LAID ON THE TABLE . . . . . 5202

(1) A copy of the Tea (Third Amendment) Rules, 1961 published in Notification No. G.S.R. 1027 dated 12th the August, 1961, under sub-section (3) of section 29 of the Tea Act, 1953.

(2) A copy of Report of the Indian Government Delegation to the 45th Session of the International Labour Conference held at Geneva in June, 1961.

COLUMNS

MESSAGE FROM RAJYA SABHA . . . 5202–03

Secretary reported a message from Rajya Sabha that Rajya Sabha had agreed without any amendment to the Dadra and Nagar Haveli Bill, 1961 as passed by Lok Sabha.

EXTENSION OF TIME FOR PRESENTATION OF REPORT OF JOINT COMMITTEE— 5204–05

The discussion on the motion for further extension of time for Presentation of the Report of the Joint Committee on the Religious Trusts Bill was postponed till 29-8-61.

BILLS INTRODUCED . 5206–07

(1) The Newspaper (Price and Page) Continuance Bill, 1961.

(2) The Industries (Development and Regulation) Amendment Bill, 1961.

BILL PASSED . . . 5207—96

Further clause-by-clause consideration of the Income-Tax Bill, 1961, as reported by the Select Committee concluded and the Bill, as amended, was passed.

COLUMNS

DEMANDS FOR SUPPLEMENTARY GRANTS (GENERAL), 1961-62 5296—5310

Discussion on Demands for Supplementary Grants in respect of Budget (General) for 1961-62 commenced. The discussion was not concluded.

PRIVILEGES 5203–04, 5310—20

The Lok Sabha rejected the request of Shri R. K. Karanjia for extension of time for his appearance at the bar of Lok Sabha.

MOTIONS *RE.* FLOOD SITUATION .......... 5320—64

Sarvashri Goray and Chintamoni Panigrahi moved the motions for consideration of the statement on the flood situation in the country laid on the Table on 7-8-61. The discussion was not concluded.

AGENDA FOR TUESDAY, AUGUST 29, 1961/BHADRA 7, 1883 (*SAKA*)

Reprimand to Shri R. K. Karanjia, Editor, Blitz, Bombay. Further consideration of Demands for Supplementary Grants General) for 1961-62, and discussion re. Punjabi Suba and fasts undertaken by Master Tara Singh, Swami Rameshwaranand and Yogiraj Suryadev.

GIPD—LS II—1030(Ai)LSD—8-9-61—885.